

EASTERN TOWNSHIPS SCHOOL BOARD	<i>Title:</i> PURCHASING PROCEDURE <div style="float: right; border: 1px solid black; border-radius: 10px; padding: 5px; margin-top: 10px;">Purchasing Procedure</div>	
<i>Source:</i> Audit Advisory Committee Director – Financial Services	<i>Adopted:</i> Refer to Policy Effective: April 27, 2005	<i>Reference Number:</i> P013-1

OBJECTIVE

To establish procedures for the acquisition of materials, equipment, supplies and services for the Board.

1. ORDER

- 1.1 The unit administrator must pre-authorize all purchases respecting the signing authorities as described in the *Procedure on Signing Authority in Schools/Centres and Central Office Departments (P021-1)*.
- 1.2 Purchase orders/requisition forms must include an authorized signature, a description of goods or services to be purchased, the unit price, quantity and budget code. The billing address must be the same as the shipping address when orders are placed by centres and/or schools.
- 1.3 Purchase orders/requisition forms must have a controlled sequential number.

2. TYPE OF NEGOTIATION

The type of negotiation depends upon the estimated value of the goods or services. The estimated value is defined as the total amount of the order (goods and/or services) being placed. All tendering limits identified below are in Canadian dollars and pre-tax (GST/QST) estimates. The appendix form must be completed when written quotes are required.

2.1 **Negotiated Contracts (\$0.00 to \$5,000.00)**

A negotiated contract involves written or verbal communications between the negotiator and at least one (1) supplier.

This type of negotiation may be used for any expenditure not exceeding \$5,000.00.

This type of negotiation may also be used for any emergency, up to \$50,000. An emergency is described as an unforeseen event (usually to the building) requiring immediate repairs or replacement, in order to ensure a safe and secure environment or in order to minimize damage to the school board's assets. An emergency must be reported to the Coordinator of Buildings and Equipment prior to scheduling any repair or replacement.

2.2 **Call for Written Quotes (\$5,000.01 to \$10,000.00)**

Under normal circumstances, at least two (2) suppliers must be invited to submit written quotes for goods and services, as specified by the negotiator.

A quote is a statement of price, terms of sale and description of goods or services responding to an inquiry.

The call for written quotes is requested for all expenditures between \$5,000.01 and \$10,000.00.

2.3 **Call for Written Quotes (\$10,000.01 to \$50,000.00)**

Under normal circumstances, at least three (3) suppliers must be invited to submit written quotes for goods and services, as specified by the negotiator.

The call for written quotes is requested for all expenditures between \$10,000.01 and \$50,000.00.

Depending on the expenditure, the negotiator may decide to request calls for tender.

2.4 **Vocational Education Centres –Specialized Equipment Only Call for Written Quotes (\$5,000.01 to \$15,000.00)**

Under normal circumstances, at least two (2) suppliers are invited to submit written quotes for goods and services, as specified by the negotiator.

The call for written quotes is requested for all expenditures between \$5,000.01 and \$15,000.00.

Call for Written Quotes (\$15,000.01 to \$50,000.00)

Under normal circumstances, at least three (3) suppliers are invited to submit written quotes for goods and services, as specified by the negotiator.

The call for written quotes is requested for all expenditures between \$15,000.01 and \$50,000.00.

2.5 **Call for Tenders**

Request for tenders involving formal public opening of offers. Only the tenders delivered by the specified date and time shall be opened. If tenders do not conform to the requirements as stipulated in the specification documentation, the tender shall be deemed disqualified. All tenders must be recorded and kept on file.

A tender is a submission in writing on a prescribed form indicating price and terms for provision of goods and/or services.

Limited Tendering (\$50,000.01 to \$100,000.00)

This request for tender limits participation to suppliers chosen by the negotiator. Under normal circumstances, at least four (4) suppliers are invited to tender.

Limited tenders must be requested for expenditures estimated at over \$50,000.01 but not exceeding \$100,000.00.

Depending on the expenditure, the negotiator may decide to request an open tender.

Public Tendering (\$100,000.01 and over)

A public tender involves publishing a request for tenders open to all. Anyone satisfying the tender requirements may submit an offer.

The public tender offer is published via the appropriate electronic media or in a newspaper and must respect appropriate government regulations.

Open tenders must be requested for all expenditures estimated at \$100,000.01 or more unless regulated otherwise by law.

Tender documents will be prepared and issued as follows:

- a) prospective bidders will be provided with clear instructions, specifications, terms and conditions;
- b) the specified closing date and time must be clearly identified;
- c) any addenda, where applicable, will be issued by the negotiator;
- d) all bids will be received by the negotiator, where the date and time of reception will be stamped on each bid, and the bids will be placed in a secure location until closing time;
- e) bidders will be permitted to withdraw or revise their tender submission prior to the closing date and time;
- f) late tenders will be date and time stamped and filed unopened.

Contracts will be awarded as follows:

- a) the negotiator will notify the successful bidder of the intent to award the contract;
- b) if the lowest bid is not recommended, a detailed report substantiating the recommendation must be completed by the negotiator and retained on file.

2.6 **Group Purchasing**

The school board may decide to participate in various purchasing groups such as La Fédération des Commissions scolaires du Québec.

In such cases, the negotiations would be carried out according to the rules governing said purchasing group.

The person responsible for negotiations can use the agreements negotiated by the Conseil du Trésor du gouvernement du Québec when it is advantageous for the School Board.

3. RECEPTION OF GOODS

- 3.1 The centre, school, department must verify the packing slip to the purchase order/requisition form to ensure that all goods have been received.
- 3.2 All goods being received must be inspected to ensure that the full order is received in good condition.
- 3.3 The packing slip must be dated, stamped and signed by the person(s) authorized by the unit administrator receiving the materials.

4. RECEPTION OF INVOICE

- 4.1 All invoices are to be sent directly to the centre, school or department who placed the order.
- 4.2 The invoice must be matched to the packing slip and purchase order/requisition to ensure accuracy.
- 4.3 Certain supplier may not generate invoices for prepaid on-line purchases. A confirmation of the purchase may be sufficient if the confirmation includes a name, description of goods purchased, total purchase and sales taxes.

5. AUTHORIZATION OF INVOICE FOR PROCESSING

- 5.1 The original invoice must be stamped with the words Received, Approved and Account Code or be attached to the cheque requisition form provided by the School Board.
- 5.2 The original invoice must be signed by an authorized employee as described by the *Procedure on Signing Authority in Schools/Centres and Central Office Departments (P021-1)*.
- 5.3 A valid account code must be identified on the original invoice.
- 5.4 Once signed and coded, the original invoice is to be sent to Financial Services for processing.
- 5.5 The centre, school or department must keep the necessary copies of invoices it deems necessary.
- 5.6 All supporting documents including the purchase order/ requisition form, request for quotes form and packing slip must be maintained and filed as per the School Boards retention of documents schedule by the centre, school or department for internal/external audit purposes.

6. SUPPLIER STATEMENT

- 6.1 Supplier statements must be sent directly to the centre, school, or department. The statements must be reviewed and any outstanding invoices older than 60 days should be reported to Financial Services.
- 6.2 Supplier statements for the month of June must be sent to Financial Services for year-end purposes.

7. PETTY CASH PURCHASES

- 7.1 Centres and schools are authorized to maintain a petty cash balance. The maximum petty cash limits are identified in the *Financial Services Procedures Guide*.
- 7.2 Petty cash reimbursements should not exceed the amount identified in the *Financial Services Procedures Guide* under the banking section.
- 7.3 All petty cash purchases must be pre-authorized by the appropriate authorized administrator.
- 7.4 The prescribed form, available from Financial Services, must be completed for replenishment of petty cash. All receipts and invoices must be attached to the petty cash reimbursement form to support the amount being claimed.