

## FINANCE

## Policy 611.4.1-R

### Purchasing Goods and Services

#### Method to Acquire Goods and Services

1. Board Contracts and Appointments  
The Board may specifically approve major construction contracts and the appointment of professional advisors including architects, auditors and lawyers. The applicable departments coordinate the use of these services.
2. Consumption-Driven Services  
Certain services are contracted district-wide then utilized and charged to sites based upon consumption such as printers.
3. Request for Information  
A Request for Information (RFI) may be used by the Purchasing Department to solicit information on new products and services. This process may be initiated before the issuance of a Request for Proposals, Tenders or Request for Quotation to determine specifications, scope of work and requirements. An RFI may or may not request prices. In no circumstance will an RFI result directly in a contract award.
4. Request for Proposals  
A Request for Proposal (RFP) may be used by the Purchasing Department to solicit both price proposals and information on products and services. Standard RFP documentation is utilized which outlines award criteria, general terms and conditions, specifications and specific or individual requirements.
5. Maintenance Service Contracts  
Maintenance service contracts are utilized where unit rates are specified and usage is authorized by defined district staff. The total value of each of these arrangements is subject to pricing activity requirements.
6. Standing Purchase Orders  
Standing purchase orders are issued with a maximum dollar limit to facilitate the acquisition of larger volumes of small dollar value purchases. Standing purchase orders must not be used to circumvent pricing activity requirements.
7. Supply Contracts  
Supply contracts have been negotiated with a number of vendors where vendor provides a range of goods at discount prices.
8. Purchase Requisitions
  - For purchases not addressed above, the user is required to complete a purchase requisition. This completed purchase requisition will need to be approved by a supervisor and forwarded to the Purchasing Department for action. The purchase requisition must include:
    - a. Product requirement
    - b. Quantity of product

- c. General ledger account number to charge
- d. Authorized signature
- e. Delivery date, if applicable

- Managers are encouraged to utilize the knowledge in the Purchasing Department when seeking unique products.
- Purchasing Department is to ensure product standards are acceptable, terms of business are appropriate and required pricing activities are conducted before Purchase Orders are issued.
- Purchase Orders may be issued as either regular Purchase Orders or Standing Purchase Orders. Purchase orders must not circumvent requirements for pricing activity.

9. Procurement Cards

Procurement cards are a convenient, efficient, cost-effective method of purchase and payment of small dollar transactions. Refer to Policy 611.5 and 611.5-R - Procurement Cards.

## Vendor Pricing

The extent and formality of price acquisition activity is based on values as follows:

### Goods and Services

Estimated Value	Minimum Action
Up to \$3,000	At the discretion of Assistant Secretary Treasurer or as delegated to Management in Purchasing, or school administrator, or management assigned with responsibility of budget account.
Less than \$25,000	At the discretion of Assistant Secretary Treasurer or as delegated to Management in Purchasing.
\$25,000 to 75,000	Minimum 2 written quotations from vendors.
Over \$75,000	Tender Call or Requests for Proposals to be posted on BC Bid which provides open access to all interested vendors.

### Construction

Estimated Value	Minimum Action
Less than \$100,000	At the discretion of Assistant Secretary Treasurer or as delegated to Management in Purchasing.
\$100,000 to \$200,000	Minimum 3 written quotations from vendors.
Over \$200,000	Tender Call or Requests for Proposals to be posted on BC Bid which provides open access to all interested vendors.

The foregoing are stated as minimum actions to be taken and do not prohibit more extensive price acquisition activity.

School District No. 38 (Richmond) complies with the spirit of intent of all applicable trade agreements, including the *Canadian Free Trade Agreement (CFTA)* and the *New West Partnership Trade Agreement (NWPTA)*.

Under *NWPTA*, construction is defined as:

A construction, reconstruction, demolition, repair or renovation of a building, structure or other civil engineering or architectural work and includes site preparation, excavation, drilling, seismic investigation, the supply of products and materials, the supply of equipment and machinery if they are included in and incidental to the construction, and the installation and repair of fixtures of a building, structure or other civil engineering or architectural work, but does not include professional consulting services related to the construction contract unless they are included in the procurement.

When pricing has been established by another government body or purchasing consortium by competitive processes, the Purchasing Department may apply the resulting prices to school district purchases.

In the case of a sole source of supply (only one vendor can provide the good or service), the Sole Source Request Form must be filled out to support that there is no reasonable, competitive alternative source of supply. Once approved by the Secretary Treasurer, or designate, pricing negotiation can occur with the one vendor source.

In case of emergency or unforeseen circumstances, the Secretary Treasurer, or designate, may authorize appropriate actions, in writing, to suspend normal pricing activity.

## Product Standards

The school district needs product standards to:

- Benefit from district-wide experience and knowledge,
- Enable efficient acquisition by schools and departments,
- Minimize the administrative cost of purchasing processes,
- Create economies of scale for vendors to minimize prices paid,
- Minimize costs and down-time for maintenance and repair,
- Facilitate movement of staff and resources between sites,
- Apply consistent high standards of safety consideration in selecting products.

Product standards are to be developed in a manner which seeks to achieve balance between the needs influencing the selection of standards.

Product standards are intended to satisfy a large portion of purchases which have common usage. Non-standard products are appropriate for use in unique circumstances.

The development of district product standards may originate with the Purchasing Department or district departments with relevant responsibilities. The determination of the district product standards is a collaborative process involving the Purchasing Department and the appropriate district department or end users.

The primary responsibility of the management of district product standards process rest with the Purchasing Department.

The final determination of district product standards will rest with the appropriate district department.

The adherence to the district product standards is the joint responsibility of the Purchasing Department and the appropriate district department.

## **Demonstration/Loaner Products and Equipment**

Vendors may supply demonstration/loaner products and equipment to the school district for evaluation purposes. In order to ensure the vendor does not develop unwarranted expectation of a sale, the terms and conditions of such arrangements are to be documented in writing by the Purchasing Department where the value of the equipment, or products, or potential risk of damage to school district property exceeds \$2,500.