Nicola Similkameen School District

**Administrative Procedure 606**

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# PURCHASING

## Objective

The purpose of this administrative procedure is to ensure that quality supplies, services, and equipment are procured for the Nicola Similkameen School District at the best value (cost, delivery, quality, and service), and that the purchasing process is consistent, efficient, and fair. This section provides guidelines for purchasing supplies, services, and equipment.

## Purchasing Principles

1. All items purchased or donated in the name of a school or the school district will become the property of School District No. 58 (Nicola Similkameen).
2. Where appropriate, equipment and supplies will be standardized to achieve maximum purchasing economy and quality goods.
3. Encourage fairness, integrity, accountability and transparency procurement for the acquisition and disposal of goods and services and compliance with all applicable trade agreements (e.g. New West Partnership Agreement) and legislated requirements.
4. All staff should declare any potential or apparent conflicts of interest where contracting for goods or services are involved. Where there are conflicts of interest, those with a conflict shall be excused from recommendation and approval processes. All employees must avoid activities which could compromise their objectivity in decisions such as favouritism or the receiving of personal benefits.
5. Wherever possible and reasonable, purchases will be made from vendors in the preferred location order of:
    i. Local and Indigenous
    ii. Provincial
    iii. National
    iv. International
6. No District employee may use the district identity or resources (e.g. corporate discounts) in the acquisition of goods or services for personal use or gain, unless specifically authorized by this or any other District policy or employee purchasing program.

## Purchasing Methods

### Purchase Order

The purchase order is a written commitment to a vendor contracting for the supply of supplies, services or equipment. It is authorized by the site supervisor and then created through the District's accounting program.

- All purchase orders will be reviewed, authorized and released to the vendor(s) by the Finance Department.
- Purchase orders exceeding $10,000 must be reviewed, authorized and released by the Assistant ST or designate.

## Purchasing Card (PCard)

Purchase Cards are an efficient way to handle a variety of transactions and are to be used in line with the limits on the cardholder's individual cards.

- The PCard may only be used by the person named on the front of the card.
- The maximum amount per transaction is $5,000.
- Purchases exceeding the set limits must be approved by the Assistant ST or designate.
- The Finance Department may make a recommendation to use a PCard instead of issuing a PO when that is determined to be the most appropriate approach.
- Cardholders should refer to the Program User Guide for specific regulations around the use of purchase cards. (or Admin Procedure)
- Cardholders must submit a monthly PCard statement, including receipts for individual purchases, to their supervisor (or designate) for approval.

## Reimbursement of Purchases made with Personal Funds

This option is designed for employees that do not have access to a district PCard. Any one purchase should not exceed $1,000.

## Petty Cash

These funds are to be used primarily to purchase low value miscellaneous consumable supplies of an emergent nature. The petty cash system should not be used to circumvent the established purchasing procedures.

## School Trust/Bank Account (school generated funds)

These funds are used at the school level to expedite the acquisition of goods and services. The School Trust/Bank Account is the responsibility of the school principal. The school principal may delegate the duties of financial record keeping, receipting and disbursing funds to an individual of their choice.

## Approved Vendor Accounts

Schools or departments can request to have vendor purchases put on account whereby the school district will be invoiced monthly by the vendor for purchases made throughout the month. Vendor accounts are approved and maintained at the discretion of Finance and the vendor. All purchases must be approved by the department manager or school administrator. Invoices must be approved and forwarded to Finance in a timely manner.

## Contracts or Service Agreements

A Contract or Service Agreement is used to purchase goods or services to be supplied over a period of time at a fixed or negotiated price (i.e. equipment leases, garbage disposal/recycling, etc.) or for the ongoing maintenance of certain types of equipment (i.e. photocopiers, specialized equipment, etc.).

## Tendering Process

Request for Proposals (RFP), Request for Tenders (RFT) and Request for Quotations (RFQ) are formal competitive bidding documents and processes used for larger dollar value purchases where it is considered to be in the District's interest to incur the additional time and cost involved to:

- Access value added offers from qualified vendors.
- Support fair and open bidding competition.
- Utilize quantitative, qualitative and objective analysis for vendor selection and award.

When tendering services, the subsequent contract should be for a fixed term (e.g. 5 years) to ensure that the service remains competitive. Existing contracts should be reviewed to determine if tendering is required. Tender notices are published through BCBid at www.bcbid.gov.bc.ca

## Purchasing Guidelines

Note: authorizations are governed by Administrative Procedure 603: Signing Authorities.

Dollar Value Limits on Purchases of Goods and Services

| **Estimated Lifetime Value (*) of the Purchase** | **Minimum Action to be Taken** | **Purchasing Method** |
|---|---|---|
| Up to $5,000 | At discretion of the site supervisor or designate | PCard, Purchase Order, Contract or Service Agreement, Vendor Account |
| Between $5,000 and $25,000 | Two (2) verbal or written quotations from vendors. | Purchase Order, Contract or Service Agreement |
| Between $25,000 and $75,000 | Three (3) written quotations from vendors. | Purchase Order, Contract or Service Agreement |
| Over $75,000 | Tender Process through BC Bid | Contract or Service Agreement |

* Lifetime Value

Purchases are based on the lifetime value of the purchase. This is the total cost of performing the intended function over the lifetime of the task. For example, a $5,000 annual contract over 5 years = $25,000 total lifetime value.

## Dollar Value Limits on Maintenance & Renovation Projects

| | |
|---|---|
| Less than $50,000 | At discretion of the Operations Manager. |
| $50,000 to $200,000 | Minimum of three (3) written quotes from vendors. |
| Over $200,000 | Tender Process is followed using BC Bid that provides open access to all interested vendors. |

## Exceptions

Exceptions to these purchasing procedures are only permitted when in the best interests of the District, will not allow for the competitive procurement process including:

- When supplies, services and equipment are urgently required for the delivery of education.
- To avoid significant financial loss through damage to facilities and equipment.
- Where safety or operational needs require urgent attention.
- The goods/services require compatibility or standardization with existing goods/services, including may void warranties or guarantees.
- The goods/services have been prequalified by another public agency or cooperative purchasing venture (e.g. Focused Education).
- By written request including justification in the best interest of the District, agreed to and approved by the Secretary-Treasurer.

With respect to these exceptions, the Assistant Secretary Treasurer, Operations Manager, with the approval of the Secretary Treasurer, may obtain direct quotations from suppliers and award the contract.

## Sole Source/Single Source/Direct Award

Goods or services available from a sole source or single source may be exempt from the guidelines and processes outlined above. When a Direct Award purchase is made the purchase order (PO) will indicate that the purchase is sole source, single source or direct award and include justification with supporting documentation attached.

Definition: **Sole Source procurement** is one in which only one supplier can provide the commodity, technology and /or perform the services required.

The explanation shall have three components:

1. Why is the item/service unique?
2. How do you know that there is only one source for this item/service?
3. The basis upon which the price/cost was determined to be fair and reasonable.

Definition: **Single Source procurement** is one in which two or more vendors can supply the commodity, technology and /or perform the services required by an agency, but the department selects one vendor over the others.

Departments must state the circumstances leading to the selection of the vendor, any alternatives considered, rationale for selecting the vendor and how it was determined that the price was fair and reasonable.

Guidelines for Substantiating Single Source

- Past experience with a particular issue and this vendor has the historical knowledge or was the original installer.
- Experience with similar projects at other agencies or at other levels of government.
- Demonstrated expertise.
- Capacity and willingness to respond to an emergency situation.

## Price Justification

- Competitive quote but other suppliers could not meet specifications.
- Comparison to published price lists or to product catalog including online catalog.
- Comparison to similar product/service.
- Prices quoted are less than or equal to, those quoted to other governmental agencies.
- Records of previously bid items that were similar.
- Proven industry standard

## Specialized Equipment

To ensure consistency in the overall quality, brand and serviceability of equipment, the purchase of the following items will be coordinated with the respective departments.

| Item | Department |
|---|---|
| Furniture, Appliances, Fleet Vehicles | Operations |
| Computer Hardware & Software | Information Technology |

**Date of Original Superintendent Approval: September 16, 2026**