



AP 515 – PURCHASING

BACKGROUND

The purchase of goods and services for Saskatoon Public Schools shall be conducted in accordance with the most current version and amendments of *The Education Act*, of the Province of Saskatchewan, Board Policy 26 –Purchasing and be consistent with the following basic principles:

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| Best Value | Purchase of goods and services at the best value to the division. Value is defined as the best possible combination of price, suitability, quality, availability, service, related administrative costs, disposal value and all other relevant factors. |
| Open Competition | Goods and services to be purchased through open competition wherever possible. |
| Tendering Practices | The tendering practices shall be transparent and shall not discriminate. Competition will be documented on purchases where required. Transparency and non-discrimination will be supported by placing all tendering requirements on a recognized public electronic tendering system. |

DEFINITIONS

1. **Budget Manager** - The specific positions within Saskatoon Public Schools that have been given authority to approve expenditures from specific budgets. In schools, the principal is always the budget manager. A budget manager may delegate their authority but cannot delegate their accountability.
2. **Project Manager** – The specific position within Saskatoon Public Schools that has been given the specific authority to manage specific projects by the Budget Manager. There is only one Project Manager assigned per project, to ensure accountability and clarity regarding project process and delivery.
3. **Goods** - Products that consist of tangible, durable or consumable items.
4. **Services** - Outputs that consist of tasks performed by individuals, service providers or consultants.
5. **Construction** – 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 or materials, the supply of equipment and machinery if they are included in and incidental to the construction, and the installation and repair of the 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.
6. **Contract** - A written document outlining terms and conditions for the purchase of goods and services, including rights and obligations of Saskatoon Public Schools and the supplier.
7. **Purchase Order** - A contract between Saskatoon Public Schools and a supplier for the purchase of goods and services, including rights and obligations of Saskatoon Public Schools and the supplier.



8. **Single Source** - A specific supplier is selected to provide goods and services without utilizing a normal competitive bidding process.
9. **Sole Source** - A specific supplier is the only supplier of goods and services that are required.
10. **Emergency Condition** – A condition in which, in the opinion of a budget manager, loss of property, safety concern or operational disruption may occur if immediate action is not taken.
11. **Expected Procurement Value** – the estimated maximum total value of the procurement, whether awarded to one or more suppliers, taking into account all forms of remuneration to be paid to a supplier, including premiums, fees, commissions and interest.
12. **Formal Tender** - A process where bids are received through a formal competition open to all interested parties. Notice of any tender is posted to a recognized public electronic tendering system and may be advertised locally on the SPS web site. Vendors who have participated in previous similar tenders may be contacted but the competition is open to all qualified suppliers.
13. **Formal Quotation** - A process where bids are received by request from qualified vendors or selected contractors. Such quotations are received only up to a specified time and date and are not advertised. Responses are to be given in written format by either facsimile, email or hard copy. Quotations and list prices will also be accepted if an email is not available from e-commerce sites. Screen shots of these prices would be maintained as documentation in this circumstance.
14. **Informal Quotation** - A more informal process of securing price quotations from selected vendors with no specified closing time and date. Quotations will be accepted by the same means as formal quotations as well as oral quotations (direct meeting with sales representatives or phone calls) but should be documented by the requester.
15. **Request for Proposals** - A request to suppliers to submit proposals for goods and/or services that are innovative. Request for proposals do not tie firms to existing processes or rigid specifications but, rather, encourage new approaches, techniques and methods for meeting the division's requirements. Request for proposals can be used in situations where they are more appropriate than formal tenders or formal quotations.
16. **Agreement On Internal Trade** - Annex 502.4 of the Agreement on Internal Trade, containing provisions for municipalities, municipal organizations, school boards and publicly funded academic, health and social services organizations. This includes requirements for tenders to be advertised nationally.
17. **New West Partnership Agreement (NWPTA)** - An accord between the Governments of British Columbia, Alberta and Saskatchewan that creates Canada's largest barrier-free interprovincial market.
18. **Canadian Free Trade Agreement (CFTA)** - An intergovernmental trade agreement introduced in 2017 to support the free movement of persons, goods, services, and investments within Canada and to establish an open efficient, and stable domestic market.
19. **Canadian-European Union Comprehensive Economic and Trade Agreement (CETA)** – a free trade agreement introduced in 2017 to reduce trade barriers between Canada and the EU



PROCEDURES

1. Purchases Under \$5,000 in Value

Schools and offices may obtain goods and services up to a maximum of \$5,000 in value directly from a supplier utilizing the purchasing card (Pcard) program.

As outlined in Administrative Procedure 571 – Purchasing Card, item #3 – Programmed Limits – single transaction limit and/or the monthly limits can be increased to cover specific large purchases upon approve by the school principal or immediate supervisor and the Manager of Purchasing Services. An increase in single transaction limit can be requested by emailing the Manager of Purchasing Services with a copy to your school principal for immediate supervisor.

Exceptions:

- 1.1. Purchase of computer devices including iPads, android tablets, PCs, laptops, notebooks and /or related technology devices are **NOT** to be made using a Pcard or from retail stores or supplier websites directly by school staff. All purchases of this type of equipment are to be made using the online requisitioning system and placed with purchasing services and are subject to the approval of the Chief Technology Officer and established Saskatoon Public Schools' standards.
- 1.2. Unless authorized in advance by the Manager of Purchasing Services, purchases of furniture items are not to be made using the Pcard. Purchases of furniture items are to be placed using the requisition web and placed with purchasing services and are subject to established Saskatoon Public Schools' standards and models.
- 1.3. When applicable, schools and offices may choose to submit orders for materials under \$5,000 to purchasing services using an online purchase requisition. Purchasing services will complete the purchase using a purchase order document.
- 1.4. Occasionally, these exceptions may require Pcard transactions due to e-commerce sites being the most cost effective or only source. Using a Pcard in this case is only done with the approval of the Manager, Purchasing Services or designate.

2. Purchasing over \$5,000 in Value

Purchases over \$5,000 will be procured, depending on the cost based on the categories defined in section Requirements of Open Competition. Table 1 outlines the requirements for the general organization (Purchase of Goods and/or Services). Table 2 (Facilities Department Purchase of Goods and Services) and Table 3 (Facilities Department Prequalified Consulting Services) outline related requirements set specifically for purchases made by the Facilities Department.

The following are general criteria which apply to all purchasing categories/types.

Requirements may be submitted to Purchasing Services using the requisition web ordering system. This includes all requirements including contracted items listed in the Requisition Web catalogue system or other goods and services that will require free text to define needs. All requisitions will be subject to the requirements for open competitions listed in this procedure. Other purchasing requirements may be communicated by email to the Purchasing Department.

If a contract exists with pre-negotiated prices for specific goods and/or services then these goods and services can be ordered without further competitive bidding requirements.



In some circumstances the purchasing process may be delegated to other departments. This is to be confirmed with Purchasing Services prior to proceeding. All required documentation must be forwarded or made accessible to Purchasing Services. All public tendering documents must be reviewed by Purchasing Services prior to publication.

Processes are further defined by internal flow charts.

Exceptions:

The following goods and services do not required tendering under this procedure: utilities contracts, legal services and insurance.

At the discretion of the Chief Financial Officer, these services may be tendered if it is deemed to be the best interest of the division to do so.

CONTRACTS

Purchase of goods over \$5,000 in value (or under \$5,000 in value in cases where a Pcard is not used) and with a delivery schedule not exceeding a one-year term will be made using a purchase order as the purchasing document. Saskatoon Public Schools' standard purchase order terms and conditions will apply unless otherwise stated in the document. The Facilities department in some circumstances will utilize a work order as the purchasing document.

Purchase of goods with a term exceeding one year in length or that in the opinion of the Manager of Purchasing Services include complex terms and conditions requiring more formal documentation, will be made using a written contract as the purchasing document. A purchase order will still be issued for this transaction but will state the terms and conditions of the written contract will govern the agreement.

Purchase of services will be made using a written contract as the purchasing document. As with goods, a purchase order will still be issued for this transaction but will state the terms and conditions of the written contract will govern the agreement.

The Manager of Purchasing Services will consult with the Board's legal counsel as necessary to establish contract terms and conditions for purchase orders and written contracts for goods and services.

REQUIREMENTS OF OPEN COMPETITION

Saskatoon Public Schools will acquire all goods and services through open and transparent competitive buying practices subject to the minimum tendering and quotation requirements as follows:

Definitions are cited to ensure consistent interpretation of terms used in this policy.

Orders will not be 'split' for the purpose of circumventing the limitations specified in this procedure.



Table 1 Purchase of Goods and/or Services

| Purchase Cost (Expected Total Value) | Type | Open Competition Requirement | Purchasing Process Responsible | Approval Authority | Commitment Authority |
|--------------------------------------|--|--|---------------------------------|--------------------|---|
| \$0-\$5,000 | P-card | Experience or informal quotation | Budget Manager or delegate | Budget Manager | Budget Manager or delegate (P-Card)/Purchasing Manager (PO) |
| \$5,000 - \$15,000 | Informal Quote | Minimum of three informal quotations solicited – must be documented | Purchasing Services or delegate | Budget Manager | Purchasing Manager (PO)/CFO (written contract) |
| \$15,000 - \$75,000 | Formal Quote | Minimum of three formal quotations | Purchasing Services | Budget Manager | Purchasing Manager (PO)/CFO (written contract) |
| Over \$75,000 | Formal Public Tender | Publicly advertised competitive procurement (e.g. Formal Tender, Request for Proposal) | Purchasing Services | Budget Manager | Purchasing Manager (PO)/CFO (written contract) |
| Over \$250,000 | Formal Public Tender with Board Approval | publicly advertised competitive procurement e.g. (Formal Tender, Request for Proposal) | Purchasing Services | Budget Manager | CFO and Board of Trustees |



Table 2 Facilities Department Purchase of Good and/or Services and Construction

| Purchase Cost (Expected Total Value) | Type | Open Competition Requirement | Purchasing Process Responsible | Approval Authority | Commitment Authority |
|--------------------------------------|--|--|---------------------------------|--------------------|---|
| \$0 - \$5,000 | P-card | Experience or informal quotation | Project Manager | Budget Manager | Budget Manager (P-card/Purchasing Manager (PO))* |
| \$5,000 - \$15,000 | Informal Quote | Minimum of three informal quotations solicited – must be documented | Project Manager | Budget Manager | Purchasing Manager (PO)* / CFO (written contract) |
| \$15,000 - \$75,000 | Formal Quote | Minimum of three formal quotations | Project Manager | Budget Manager | Purchasing Manager (PO)* / CFO (written contract) |
| Over \$75,000 | Formal Public Tender | publicly advertised competitive procurement (e.g. Formal Tender, Request for Proposal) | Purchasing Services or delegate | Budget Manager | Purchasing Manager (PO) / CFO (written contract) |
| Over \$250,000 | Formal Public Tender with Board Approval | publicly advertised competitive procurement e.g. (Formal Tender, Request for Proposal) | Purchasing Services or delegate | Budget Manager | CFO and Board of Trustees |

* Facilities department in some circumstances issues a work order as a commitment document. This is authorized by the Budget Manager.



Table 3 Schedule for Prequalified Consulting Services

| Purchase Cost (Expected Total Value) | Open Competition Requirement | Purchasing Process Responsible | Approval Authority | Commitment Authority |
|--------------------------------------|--|---------------------------------|--------------------|---------------------------|
| \$0 - \$75,000 | Prequalified list | Budget Manager or delegate | Budget Manager | CFO (written contract) |
| \$75,000 - \$250,000 | Minimum three formal proposal requests from prequalified list or publicly advertised competitive procurement | Budget Manager of delegate | Budget Manager | CFO (written contract) |
| Over \$250,000 | publicly advertised competitive procurement | Purchasing Services or delegate | Budget Manager | CFO and Board of Trustees |

* Facilities department in some circumstances issues a work order as a commitment document. This is authorized by the Budget Manager.

Informal Quotations

Purchase requests up to \$15,000 in value will be completed with the supplier being chosen at the discretion of purchasing process responsible on knowledge of supply, price and follow up. This may include informal quotations depending on the situation

Formal Quotation

Purchase of all goods and services with an expected total value of between \$15,000 and \$75,000, except those included in section 2, exceptions will be completed by obtaining a minimum of three formal quotations.

If the value is expected to be under \$15,000 but it is deemed to be in the division’s best interest to do so, a formal quotation process may be employed.

Formal Tender

Purchase of all goods and services with an expected total value of over \$75,000, except those included in Section 2, exceptions, will be subject to a formal tender process.

In other cases where it is deemed to be in the best interest of the division, a formal tender process will be employed.



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| Canadian Free Trade Agreement | Purchase of goods and services over \$100,000 and construction projects of \$250,000 must be tendered publicly in compliance with this agreement. For a detailed description of the CFTA, visit www.cfta-alec.ca/canadian-free-trade-agreement/ |
| Canada-European Union Comprehensive Economic Agreement | Purchase of good and services over \$340,600 and construction projects of \$8,500,000 must be tendered publicly in and Trade compliance with this agreement. For a detailed description of CETA, visit www.international.gc.ca/CETA . |
| New West Partnership Trade Agreement | Purchase of goods and services over \$75,000 and construction projects of \$200,000 must be tendered publicly in compliance with the New West Partnership Trade Agreement (NWPTA). For a detailed description of the Agreement on Internal Trade, visit www.newwestpartnershiptrade.ca . |
| Time to Prepare and Submit Formal Tenders and Quotations | <p>Where practical, Saskatoon Public schools will provide suppliers with a reasonable period of time to submit a formal tender or quotation taking into account:</p> <ol style="list-style-type: none">The nature of and the complexity of the procurement;The extent of subcontracting anticipated; andThe time necessary for transmitting tenders/quotations if tender submissions are to be non-electronicThe applicable trade agreements <p>The closing date for the submission of tenders/quotations will not be less than:</p> <ol style="list-style-type: none">Twenty-one calendar days from the date of which a tender notice is published for formal tenders.Two to ten calendar days from the date of use of a formal request for quotation.Seven calendar days where a state of emergency, duly substantiated by the Chief Financial Officer, renders the usual timer period for tendering impractical. |
| Sole or Single Sourcing | <p>Where sole or single source instances exists, the Chief Financial Officer or Manager of Purchasing Services shall employ such value analysis and negotiation methods considered appropriate for obtaining acceptable material at the lowest possible cost.</p> <p>Sole or single sour purchases may be approved by the Chief Financial Officer or the Manager of Purchasing Services under the following conditions:</p> <ol style="list-style-type: none">An emergency condition exists;A confidential situation exists; |



- c. Goods and/or services are supplied by a sole source;
- d. Urgent purchases which preclude the normal business processes.
- e. Purchases when a sole or single source would be in the best interest of the school division; or
- f. Proprietary acquisition, warranty requirements, patent rights, license agreements or other obligations exist which may prevent Saskatoon Public Schools from using normal competitive processes.

Good and services being purchased through this option must be documented and approved on the Single/Sole Source form.

Purchasing Process Responsible

Defines who is performing the purchasing process including obtaining vendor quotations and managing tenders. Details are further outlined under Responsibilities.

Approval Authority

Is the level of authority required to internally authorize a purchase transaction/purchase requisition prior and is responsible for ensuring budget is available once price information is obtained. Details are further outlined under Responsibilities.

Commitment Authority

Authorization of a purchase order or written contract to the selected vendor.

RESPONSIBILITIES

The following responsibilities and authorities will apply to the various purchasing functions:

1. The General Manager of Financial Services shall be responsible for the general supervision of the purchasing services and the purchasing procedure. Under the general supervision of the General Manager of Financial Services, the Manager of Purchasing Services is responsible for the administration of purchasing.
2. Budget managers have authority to authorize the purchase of goods and services (i.e. through a purchase requisition) of less than \$150,000. All purchases will be subject to the requirements for open competition as outlined in this document.
3. Any purchase of goods and services valued at \$250,000 or greater must be approved and authorized by the Board of Education.
4. Budget managers are responsible for approving the resulting invoices related to the purchase of goods and services. Invoice approval is indicated by the Budget manager's signature on the invoice. This approval indicates that the order was received, correct and complete, and that the invoiced amount is approved for processing by the Accounting department.
5. Purchase or lease of goods and services shall be initiated by properly authorized personnel using the requisition web or the appropriate information being forwarded to the purchasing services for processing in compliance with this procedure including Tables 1, 2, and 3.
6. The Manager of Purchasing Services shall, in cooperation with any formal standards committee, establish and maintain system standards and specifications for commonly used goods and services



and shall have the authority to revise requisitions according to these standards, provided such revisions are discussed with the requisitioner.

7. The Manager of Purchasing Services shall have the responsibility for obtaining tenders and quotations, with the exceptions noted in Section 1 (Pcard) and will review the information with the originator prior to placing the order if the cost exceeds the estimate given on the requisition.
8. Requests to vendors for quotations and pricing should mainly be done by Purchasing Services. In circumstances where it is mutually agreed, this process may be delegated to other departments. The quotations must meet the requirement for quotations as defined by Purchasing Services and all documentation must be made accessible to Purchasing Services.
9. The Manager of Purchasing Services and/or the Chief Financial Officer, with the exceptions noted in Section 1, shall have the sole authority to execute purchase orders on behalf of the division.
10. In order to gain advantages arising out of quantity buying, the Manager of Purchasing Services shall, whenever it is reasonably possible, coordinate common requirements from all schools and buy for the entire system at once.
11. When advantageous and practical, Purchasing Services will work with other Saskatchewan public entities in tendering and sourcing of goods and services.
12. Where an item required has been previously tendered within the preceding six months and there has been no increase in pricing, the Manager of Purchasing Services is authorized to negotiate the purchase with the successful bidder from the previous tender.
13. A complainant shall submit his complaint in writing within 30 days from the date of the disputed award to the Chief Financial Officer (the “complaints officer”) for consideration. In the event the complaints officer determines that the complaint has merit, the officer shall investigate the matter, and shall make his or her recommendation to the Director and the Board for resolution. If the complaints officer believes that the complaint does not have merit, he or she will advise the complainant in writing of his or her decision.

In the event the complaint is not resolved to the satisfaction of the complainant, the complainant may, within 30 days of having received notice of the decision, make a request in writing to the complaints officer for mediation of the matter. The mediation shall take place within a further 60 days from the date of the request, and shall be conducted in Saskatoon, Saskatchewan by a licensed mediator.

If the mediation does not result in agreement between the parties, the complainant may, within a further 30 days from the date of the mediation, make a request for arbitration. The arbitration shall be before a single arbitrator chosen by both parties, and shall be conducted in accordance with provisions of [The Arbitration Act, 1992](#) of Saskatchewan. The costs of the arbitration shall be borne by the unsuccessful party.

14. Confidentiality of Information
 - 14.1. All tenders shall be received in sealed, marked envelopes. Names or numbers of bidders will not be released prior to the closing of tenders.
 - 14.2. All quotations shall be received through email, fax or in marked envelopes. Names or numbers of bidders will not be released prior to the closing of quotations.
 - 14.3. At the Requisitioner’s request, tenders will be publicly opened. Bidders are invited to attend the opening where information on pricing will be given.



- 14.4. After an award has been made, the successful bidder's name and award results will be released to all bidders.
- 14.5. Feedback on tenders/quotations may be requested by bidders. Only information pertaining to their submission will be discussed and clarified. Detailed pricing information will not be disclosed.
15. Conflict of Interest
 - 15.1. No employee of the division shall purchase or lease any goods or services from or through the division for personal use or gain. If any purchase or contract is made contrary to this regulation the division shall not be bound thereby.
 - 15.2. Except with the approval of the Chief Financial Officer, the division shall not purchase any goods or services from division employees or from companies in which division employees have an ownership interest. The Chief Financial Officer may approve the purchase of goods or services from employees and from companies in which employees have an ownership interest, only if the goods or services required are not readily available from another source.
16. Contracts will only be signed by the Manager of Purchasing Services (purchase orders), Chief Financial Officer (contracts up to \$250,000, entire life of contract including extensions) and the Chair of the Saskatoon Board of Education (contracts greater than \$250,000).
17. All vendors must be approved by Purchasing Services prior to providing services or goods to Saskatoon Public Schools. This includes the completion of a Supplier Certification Application Form. The completion of this form may be waived by the Manager of Purchasing Services in some circumstances.
18. All departments must enter their own requisitions electronically into the Requisition Web. This includes properly identifying the goods and/or services required as well as supplying an account number for the resulting purchase.
19. The Manager of Purchasing Services is authorized to affect all purchases and to dispose of all surplus equipment, furniture and materials and to establish procedures to ensure conformity with this purchasing procedure.
20. Employees are responsible for knowing, understanding and complying with this administrative procedure. Failure to comply with this administrative procedure may result in disciplinary action as stipulated in Policy 26. Any instances of non-compliance must be reported the General Manager of Financial Services and Chief Financial Officer.

Reference: Section 69(1), 85(1)(d), 344, 349, 352, 354, 355, Education Act
Annex 502.4 Agreement on Internal Trade, New West Partnership Agreement, Canadian Free Trade Agreement ,
Canadian-European Union Comprehensive Economic and Trade Agreement, Policy 26 - Purchasing

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