

Title	<b>PURCHASING</b>	Policy No.	1001
Department	<b>BUSINESS SERVICES</b>		
Reference(s)	<ul style="list-style-type: none"> <li>- <i>Education Act, Section 217</i></li> <li>- Agreement on Internal Trade</li> <li>- Procedure - Petty Cash</li> <li>- Procedure - Purchasing Card</li> <li>- Procedure - Purchasing</li> <li>- Broader Public Sector Supply Chain Code of Ethics</li> <li>- Ontario Broader Public Sector Directives</li> <li><a href="http://www.fin.gov.on.ca/en/bpssupplychain/documents/bps_procurement_directive.html">http://www.fin.gov.on.ca/en/bpssupplychain/documents/bps_procurement_directive.html</a></li> </ul>	Effective Date	1999 Feb. 23

It is the policy of the Board, to comply with legislation contained in the Education Act, Broader Public Sector Procurement Directives and amendments thereto, for the procurement of goods and/or services that meet the needs of the students through a process that ensures efficiency, transparency, financial control, quality and value for money.

The objectives of the Procurement Policy are:

- To ensure ethical, efficient and accountable sourcing, contracting and purchasing activities within the organization.
- To support the *Supply Chain Code of Ethics* compliance; enable the efficient and effective execution of supply chain tasks; mitigate risk; and help the Board to meet its operational, financial and accountability obligations.
- To help maintain a focus on value for money with respect to both supply chain transactions and the underlying processes.
- To eliminate redundant, non-value-added activities within the overall procurement cycle, maximizing service efficiency.
- To provide internal customers, suppliers and other stakeholders with a clear path for conducting supply activities, improving customer confidence and satisfaction.
- To reduce business risk and the potential for conflicts internally with colleagues and externally with trading partners.
- To provide clear direction and expectations for employees, improving productivity and morale.
- To establish consistent processes and expectations for working with suppliers, enhancing relationships.

The Board hereby adopts the Ontario Code of Ethics as published. This Code applies to all individuals that involve themselves in the Supply Chain process.

Administered By	<b>BUSINESS SERVICES</b>	Board Resolution No.	32-B. 8
Amendment Date(s)	April 1, 2011 June 28, 2011	Amendment Res. No.	11.b.10 12.h

**Broader Public Sector Code of Ethics  
Supply Chain Code of Ethics**

**Goal:** To ensure an ethical, professional and accountable BPS supply chain.

**I. Personal Integrity and Professionalism**

All individuals involved with purchasing or other supply chain-related activities must act, and be seen to act, with integrity and professionalism. Honesty, care and due diligence must be integral to all supply chain activities within and between BPS organizations, suppliers and other stakeholders.

Respect must be demonstrated for each other and for the environment. Confidential information must be safeguarded. All participants must not engage in any activity that may create, or appear to create, a conflict of interest, such as accepting gifts or favours, providing preferential treatment, or publicly endorsing suppliers or products.

**II. Accountability and Transparency**

Supply chain activities must be open and accountable. In particular, contracting and purchasing activities must be fair, transparent and conducted with a view to obtaining the best value for public money. All participants must ensure that public sector resources are used in a responsible, efficient and effective manner.

**III. Compliance and Continuous Improvement**

All individuals involved in purchasing or other supply chain-related activities must comply with this Code of Ethics and the laws of Canada and Ontario. All individuals should continuously work to improve supply chain policies and procedures, to improve their supply chain knowledge and skill levels, and to share leading practices.

Administered By	<b>BUSINESS SERVICES</b>	Board Resolution No.	32-B. 8
Amendment Date(s)	April 1, 2011 June 28, 2011	Amendment Res. No.	11.b.10 12.h

Title	<b>PURCHASING</b>	Procedure No.	1001
Department	<b>BUSINESS SERVICES</b>		
References(s)	<ul style="list-style-type: none"> <li>- Policy: Purchasing</li> <li>- Procedure: Petty Cash</li> <li>- Procedure: Purchasing Card</li> <li>- Procedure: Expense Reimbursement</li> <li>- Procedure - Partnership Agreement</li> <li>- <i>Education Act, Section 217</i></li> <li>- <i>Broader Public Sector Procurement Directives</i></li> <li>- <i>Internal Trade Agreement</i></li> </ul>	Effective Date	2011 June 28

**Preamble**  
 Acquisition of goods and services by the Thames Valley District School Board (the "Board") is subject to extensive legislative and applicable regulatory requirements.

These requirements for competitive procurement and contracting balance numerous objectives, including accountability, transparency, value for money and, ultimately, effective and high quality service delivery.

As a result, it is crucial that all Board personnel adhere to the procedures contained herein.

**1.0 Requests for goods & services**

The "ePurchasing" web site shall be used for all purchases of goods and services, excluding purchases involving Facilities Services specific projects and work orders.

All requests for goods and services shall be entered into the TVDSB "ePurchasing" web site.

No Board employee other than authorized personnel in Purchasing Services shall: acquire goods or services; or execute any agreement or initiate any process for the acquisition of goods and services on behalf of the Board, without the prior [written] approval of Purchasing Services.

Invoices received for purchases that do not follow the purchasing process will not be accepted.

**2.0 Purchasing Cards (P-cards)**

The purchasing card is not to be used for goods or services where the Board has an approved contract. The use of purchasing cards for goods and services must be limited to small dollar value infrequent purchases.

Under no circumstances is the purchasing card to be used for personal purchases.

The purchasing card is designed to be used for as a payment tool for conferences, memberships and travel expenses including accommodations and meals that are in compliance with the Board's expense policy.

<b>BUSINESS SERVICES</b>	
Administered By	
Amendment Date(s)	April 1, 2011

### 3.0 Segregation of Duties

Effective control in an organization includes segregation of duties across functions and individuals. Segregation of duties prevents any one person from controlling the entire procurement process by segregating approvals for the key stages of the procurement process.

Employees cannot independently acquire goods and services.

The Board shall segregate at least three of the five functional roles (Ordering, Budget checking, Issue of purchase orders/contracts/letters of intent, Receiving and Payment).

### 4.0 Signing Authority

The Boarder Public Sector Procurement Directive states organizations must establish an approval authority schedule for procurements of goods and non-consulting services. The schedule must identify authorities that are allowed to approve procurements for different dollar thresholds.

#### Signing Authority to Request Goods and Services

The chart below identifies the dollar threshold of the commitment authority, i.e., the person authorized to commit the organization to a purchase.

All employees have access to the ePurchasing Web Site. Each school/department has an assigned administrator(s) who reviews the purchase before submitting an order to Purchasing Services.

<i>Functional Roles</i>	<i>Who</i>	<i>Total Amount</i>
<b>Ordering</b> in ePurchasing web site	All employees	Requests are forwarded to school or department ePurchasing administrator for approval
<b>Approval</b> of requests in ePurchasing web site	ePurchasing Administrators	Within approved budget

#### Signing Authority Procurement Documents

The chart below identifies staff authorized to approve procurements.

<i>Type of Document</i>	<i>Who</i>	<i>Total Amount</i>
<b>Purchases Not Covered by Existing Contract</b>		
<b>Purchase Orders, Contracts, or Letters of Intent, Legal Agreements</b>	Purchasing and Facility Services staff	<10,000
	Executive Officer Facility Services and Capital Planning or designate	<\$100,000
<b>Purchases Covered by an Existing Contract (PreQualification, Quotations, Tenders or RFP's) which has already had Board or Ministry approval</b>		
<b>Purchase Orders, Contracts, or Letters of Intent</b>	Purchasing Services Staff, Director of Education, Executive Superintendent of Business & Treasurer, Executive Officer Facility Services and Capital Planning or designate	Unlimited

<b>BUSINESS SERVICES</b>	
Administered By	
Amendment Date(s)	April 1, 2011

**5.0 Procurement Thresholds**

Purchases of goods and non-consulting services by, and on behalf of the Board, shall be made in the following manner, depending upon the cost.

Before any purchase is made, it must be confirmed with Purchasing Services that the goods or services are not covered by a current contract, excluding Facility Services projects and work orders.

The overall value of procurement cannot be reduced (e.g., dividing a single procurement into multiple procurements) in order to circumvent the approval requirements

<\$10,000 Purchasing Services and Facilities Services will obtain three verbal quotations where possible.

\$10,001 to \$100,000 Purchasing Services and Facilities Services will obtain three written quotations.

Over \$100,000 Purchasing Services will issue sealed Tender, Request for Proposal, or Pre-Qualification. Facility Services will issue tenders for construction to the pre-qualified suppliers/contractors.

**Consultants/Consulting Services**

Any \$ value Purchasing Services will issue a competitive bid. The BPS Procurement Directive defines consultants and consulting services as follows:

*“Consultant” means a person or entity that under an agreement, other than an employment agreement, provides expert or strategic advice and related services for consideration and decision-making.*

*“Consulting Services” means the provision of expertise or strategic advice that is presented for consideration and decision-making.*

Subject to any Legislative Requirements.

All bid documents will be retained in Purchasing Services.

**6.0 Emergencies (Facility Services only)**

Where an unforeseen situation of urgency exists and the goods, services or construction cannot be obtained by means of open competitive procurement procedures.

Where a non-competitive procurement is required due to an urgent situation, the purchase may be made up to \$100,000.

The urgency must be justified in writing for audit purposes.

**7.0 Competitive Procurement Documents**

<b>BUSINESS SERVICES</b>	
Administered By	
Amendment Date(s)	April 1, 2011

The following types of competitive procurement documents will be issued depending on the goods or services required and the thresholds listed in section 6.0.

**7.1 Quotations:** Quotations specifications are developed in consultation with the applicable departments and the business is awarded to the lowest bidder(s) meeting the specifications.

**7.2 Tenders:** Tender specifications are developed in consultation with the applicable departments and the business is awarded to the lowest bidder(s) meeting the specifications. External consultants are used in some circumstances, primarily for facility projects, to develop specifications. External consultants are excluded from bidding on the project.

**7.3 Request for Proposals:** The RFP provides special procedure to obtain goods and services on a competitive basis where the specifications and technical details cannot be clearly defined. The committee evaluating the proposals will take into consideration all relevant evaluation criteria including but not limited to capability of the firm, its personnel, experience, past performance and level of expertise.

Request for proposal submissions with a value exceeding \$1,000,000 are to be presented to the Board along with the evaluation committee's recommendations with respect to which proposal should be accepted and the reason for its recommendations for the Board's consideration and approval.

**7.4 Request for Information/Request for Expression of Interest:** A RFI/RFEI is to gather general suppliers/contractors or product information or as an opportunity to gain information on supplier/contractor capabilities and qualifications. This mechanism may be used when researching a contemplated procurement and where the characteristics of the ideal solution would have not yet been determined. A response to a RFI or RFEI cannot be used to pre-qualify a potential supplier/contractor and must not influence their chances of being the successful proponent on any subsequent opportunity. It is the first stage in a two-stage solicitation (followed by either a Request for Proposal or a Request for Tender).

**7.5 Pre-Qualifications:** The purpose is to gather information on supplier/contractor capabilities and qualifications, with the intention of creating a list of pre-qualified suppliers/contractors. This mechanism may be used either to identify qualified candidates in advance of expected future competitions or to narrow the field for an immediate need. It is the first stage in a two-stage solicitation (followed by either a Request for Proposal or a Request for Tender), whereby only pre-qualified suppliers/contractors will be invited to respond to the actual competition. It is also used to pre-qualify suppliers/contractors who are interested in supplying materials or services in the future — if, as and when requested. The typical result of this procedure is a Vendor of Record (VOR) or a preferred suppliers/contractors list.

Purchasing and Facility Services will determine and issue the appropriate type of competitive procurement document.

## **8.0 Single Sourcing/Sole Sourcing (Non-competitive Procurement)**

This type of procurement is governed by legislation.

In certain unique circumstances, the Board will not have the ability to go through a competitive process. This section covers non-competitive procurement where the Board wishes to procure goods or non-

### **BUSINESS SERVICES**

Administered By

Amendment Date(s)

April 1, 2011

consulting services from one supplier/contractor in order to meet their requirements. There are two main types:

**8.1 Single Sourcing:** The use of a non-competitive procurement process to acquire goods or services or from a specific supplier/contractor even though there may be more than one supplier/contractor capable of delivering the same goods or services.

**8.2 Sole Sourcing:** The use of a non-competitive procurement process to acquire goods or services where there is only one available supplier/contractor for the source of the goods or service.

In order to determine if this exemption applies, Board employees must submit all requests for goods or non-consulting services which would bypass the competitive procurement process to Purchasing Services to research and determine if the purchase qualifies for exemption under this specific legislation.

Allowable exemptions from competitive procurements will require the prior approval of the Board for purchases over \$100,000.

## **9.0 Prepayments**

All awards for contracts requiring prepayments must have prior approval from the Board of Trustees. Exceptions to this procedure shall only be agreements for software and service maintenance agreements where the industry standard is to pay in advance.

## **10.0 Public Sector Purchasing Cooperatives**

The Board is committed to working collaboratively with other boards and broader public sector agencies, to develop cooperatives and shared services provided their purchasing policy adheres to accepted public purchasing practices. In these cases, the Board may accept pricing obtained by other public bodies under their policies and procedures. The Board will not be required to solicit independent competitive bids.

## **11.0 Child Labour**

The Board shall endeavour to ensure that child labour has not been used in the production of any goods purchased by and on behalf of the Board by its employees.

### **BUSINESS SERVICES**

Administered By

Amendment Date(s) April 1, 2011