



# **ADMINISTRATIVE PROCEDURES**

<b>SUBJECT:</b>	<b>PURCHASING PROCEDURES</b>
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## 1 GENERAL PROCEDURES

1.1 Employees assigned responsibility for managing a budget may make purchases on behalf of the Board in accordance with the limits described in the Purchasing Regulations and these Administrative Procedures. Refer also to Item 1.2 below.

1.2 Role of the Board Office Central Purchasing Department:

- Is responsible for the coordination and purchasing of supplies, services and contracts for purchases when a formal tendering process or Request for Proposal is being issued and for other purchasing functions as described throughout these procedures.  
Tenders for building construction projects will be coordinated and issued by the professional consultants engaged on these types of projects. The Purchasing Dept. will provide assistance on a request basis only.
- Will provide assistance on all types of Board purchases including the preparation of specifications, obtaining competitive prices and the maintenance of supplier information.

Employees making purchases as described in Item 1.1 above and within the limits of Section 2 in the Regulations, shall consult with the Purchasing Supervisor to ensure a competitive bidding process is followed, that businesses registered with the Board are provided the opportunity to bid on items and that purchase order procedures and placement of orders are done on the Board's central purchasing management computerized system.

The buyers in the Purchasing Dept. are available to consult with and to carry out the work in obtaining competitive pricing from suppliers and to assist the Purchasing Supervisor to negotiate contracts and agreements with vendors.

- Maintain and manage the Board's list of registered suppliers and businesses.
- Maintain and manage the Board's catalog of standard bulk order school supplies.

### 1.3 UNAUTHORIZED PURCHASES

Purchases made in the name of the Lambton Kent District School Board without using a board-authorized process are considered an obligation of the person making the purchase and not an obligation of the Board. Such processes are unauthorized and may also result in suspension of purchasing privileges.

### 1.4 USE OF BOARD'S PREQUALIFICATION PROGRAM

All Contractors that fall into the following categories are required to complete the requirements of the Contractor / Subcontractor Prequalification Program.

1. General Maintenance / Repair / Inspection Services
2. Major Construction Projects
3. Specialty and Emergency Services

## 2 PURCHASING GOODS AND SERVICES **UNDER \$5,000**

- 2.1 All purchases of goods and services with a value over \$1,500.00, including tax and shipping shall be initiated using a Purchase Requisition or a Capital & Furniture Budget Request. Orders of a smaller dollar value may also be ordered using these forms. As well, orders may be generated using an "electronic requisition" which will be created and distributed by the purchasing department using the Board's e-mail system.
- 2.2 The school or department wishing to make a purchase will complete the appropriate forms.
- 2.3 Under normal circumstances, the school or department will forward the completed requisition to purchasing so that the purchase order can be generated and sent to the vendor and the receiver can be generated and forwarded to the school or department for completion upon receipt of the goods.
- 2.4 If the goods are required urgently, the school or department will call the Purchasing Department and request an urgent Purchase Order. The school or department will then fax or e-mail a requisition to the Purchasing Department and a Purchase Order will be created and the order confirmed by fax to the vendor. A Receiver will also be generated and forwarded to the school or department.

If for some reason an urgent Purchase Order cannot be created, Purchasing will issue a Confirmation Purchase Order number. The requestor will call the vendor and order the goods over the telephone and forward the completed requisition to Purchasing Dept. so that the Purchase Order and Receiver can be generated.

NOTE: **Requisitions are not Purchase Orders** and should not be faxed to vendors.

### 3 PURCHASING GOODS AND SERVICES **FROM \$5,000 to \$75,000**

- 3.1 All purchases of goods and services with a value over \$5,000.00, including tax and shipping shall be initiated using a Purchase Requisition or a Capital & Furniture Budget Request. As well, orders may be generated using an “electronic requisition” which will be created and distributed by the Purchasing Department using the Board’s e-mail system.
- 3.2 The school or department wishing to make a purchase will complete the appropriate forms
- 3.3 The completed forms will be forwarded to the Purchasing Department so that written quotations may be requested from three potential vendors (if possible). If the school or department has already received the required quotations, they should be attached to the requisition or Capital & Furniture Budget Request.
- 3.4 The Purchasing Supervisor must approve purchases of this value, which are not able to have multiple quotations.
- 3.5 Purchasing Dept. will generate the Purchase Order and send it to the vendor, generate the Receiver, and forward it to the school or department for completion upon receipt of the goods.

### 4 PURCHASING GOODS AND SERVICES **OVER \$75,000 – Tenders, etc.**

- 4.1 All purchases of goods and services with a value over \$75,000.00, including tax and shipping must be initiated in writing by the department which has the requirement or by the Purchasing Supervisor for bulk requirements.
- 4.2 It is the responsibility of the requesting department to provide all required specifications to the Purchasing Department, so that vendors bidding on the project will have the necessary information.

- 4.3 The Purchasing Supervisor will determine whether a formal tender or request for proposal (RFP) etc. will be used for the bidding process. If a request for proposal is issued, the selection criteria for determining the successful bidder shall be clearly set out in the RFP.
- 4.4 All tenders shall be received by the Receptionist at the Sarnia Education Centre, who will stamp the time and date of arrival, using the Official Tender Clock. Late Tenders will not be accepted and will be returned to the supplier unopened accompanied with a letter of explanation.

#### 4.5 Bonding Requirements

The Purchasing Supervisor may call for a Bid Bond/Bid Deposit in the amount of 10% of the bid price in conjunction with any contract regardless of dollar value. All construction projects over \$200,000 will require a Bid Deposit. A certified cheque in the amount of 10% of the bid price may be accepted as a bid deposit.

For all major capital building projects an agreement to provide a Performance Bond shall be required to be supplied by the bidders with their tender submission. The Performance Bond shall be for 100% Labour and Material bonding, however for projects of limited scope and contract values less than \$ 250,000 bonding in the amount of 50% may be used upon the recommendation of the board's consultants.

- 4.6 The Purchasing Department will maintain bid lists for all commodities that may be tendered. The Purchasing Supervisor will approve all vendors for addition to the bid list according to requirements determined in consultation with various departments.

Tenders may be sent to bidders registered on the Board approved bidders list that is maintained by the Purchasing Department and/or may be advertised in the newspapers.

Implementation Date: March, 8, 2006

References: Board Policy and Regulations