

ADMINISTRATIVE PROCEDURE NO. 510

AUTHORIZED SPENDING LIMITS AND PURCHASING

Background

These procedures are intended to authorize the limits within which employees may purchase goods or services for the Division and enter into contractual agreements for the same.

Procedures

- The following chart is to serve as a guideline for purchasing limits.

| Authorized Personnel | Purchasing Method | Types of Goods or Services | Expenditure Limits |
|---|---|--|---|
| Principal | School Imprest Fund - cheque | Emergent items/supplies/ Materials to meet unique circumstances | \$1,000.00 |
| Principal, Facilities Manager, Transportation Manager | Purchase Order or Written Agreement | Purchase of equipment/ supplies/services within overall budget allocated to school/department by the Division | \$25,000.00 and no agreement to exceed one year in length |
| Principal | Written or Verbal Agreements | Extra or co-curricular events, graduation exercises, yearbook, fundraising projects not supported by the Division budget Funds raised by school | \$25,000.00 and no agreement to exceed one year in length |
| Secretary-Treasurer | Purchase Order Written/Verbal Agreements | All supplies/services for the Division except construction over \$100,000 and real property purchases within overall Division budget | No limit except construction over \$1,500,000 |
| Board | Written Contract approved by Board resolution | Construction projects over \$1,500,000 and real property purchases | No limit |

2. Purchasing Procedures: Purchasing and Contract Services will abide by provincial and federal legislation as outlined in the Agreement on Internal Trade (AIT) as well as the New West Partnership Trade Agreement (NWPTA):
 - a. Decision units (Schools/Facilities/Transportation) are authorized to purchase goods of a value of:

Up to \$2,500 - without obtaining quotations;

\$2,500 - \$74,999 - verbal quotations from three vendors;

\$75,000 + - written quotations from at least three qualified vendors using formal RFQ (Request for Quotation)/RFP (Request for Proposal). Quotations are to be kept on file for two years.

Decisions units are encouraged to analyze the quotations and product/service quoted prior to making a decision on what quotation to accept.
 - b. School construction/renovation projects shall have drawings and specifications prepared by an architect or professional engineer if the scope of work is to exceed \$20,000. Generally, a tender will be prepared with a stipulated closing date for receipt of tenders. In most circumstances, the lowest tender will be accepted for the project unless it is deemed to be in the best interest of the district to accept a bid other than the lowest.
 - c. Unbudgeted items require approval of the Board prior to purchase. This approval can be in the form of a resolution for the individual item or the approval of a revised budget including all items.
3. Purchases cannot be separated into separate orders for the purposes to reduce the purchasing limits. Splitting or dividing the purchase of goods or services in order to avoid exceeding an individual's authorized limit is strictly prohibited.
4. Prior to authorizing an expenditure, the Approval Authority shall confirm that:
 - Sufficient funds remain within the relevant budget;
 - The purchase is necessary and appropriate, and;
 - The requirements of this Purchasing Procedures have been followed.