

EDMONTON PUBLIC SCHOOLS

October 28, 2008

TO: Board of Trustees

FROM: Trustee D. Fleming, Planning and Policy Committee
Trustee G. Gibeault, Chair Planning and Policy Committee
Trustee K. Shipka, Planning and Policy Committee

SUBJECT: Policy Review – Board Policy DJ.BP - Purchasing

ORIGINATOR: D. R. Power, Assistant Superintendent - Treasurer

RESOURCE
STAFF: Brian Barclay

RECOMMENDATION

That Board Policy DJ.BP – Purchasing be considered for the third and final reading and be approved.

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A web survey was conducted in accordance with board policy review procedures. The intent of the policy is to offer all interested parties an opportunity to submit proposals for consideration. This policy was reviewed at the Planning and Policy Committee meeting of September 23rd and no changes were made to Board Policy DJ.BP.

At the October 14, 2008 Board meeting, a request for information was made to answer five questions. Appendix II provides the response to these questions.

DRP/ej

APPENDIX I – Board Policy DJ.BP – Purchasing
APPENDIX II – Request for Information and Purchasing Administrative Regulation DJ.AR – Purchasing and Disposal

Edmonton Public Schools Board Policies and Regulations

CODE: DJ.BP
TOPIC: Purchasing

EFFECTIVE DATE:
ISSUE DATE:
REVIEW DATE:

1. The board believes in purchasing competitively and seeking maximum educational value for every dollar expended, consistent with good purchasing practices.
2. All factors being equal, purchases shall be made from local, provincial, and national suppliers in that order of preference.

Reference(s):
DJ.AR - Purchasing and Disposal

The following information is provided in response to questions asked at the Board meeting of October 14, 2008.

1. WERE ETHICAL AND ENVIRONMENTAL ASPECTS CONSIDERED IN THIS POLICY?

(A) Environmental: Yes. Compliance with a number of standards is always a consideration in the purchase of a product.

For example:

- Art products are governed under the Art & Materials Institute Certification. This certification states that these products contain no material in sufficient quantities to be toxic or injurious to humans or cause acute or chronic health problems. These standards are enforced by the Consumer Product Safety Commission.
- All school and classroom products comply with the American National Standards Institute (ANSI).
- Paper products purchased are governed under the Forest Stewardship Council (FSC) and follow principles ranging from compliance with environmental impact plantation, and conservation strategies.
- Furniture is controlled under GreenGuard Certification (GEI) and part of the American National Standards Institute. GreenGuard furniture is indoor air quality certified for low emitting interior products. Materials are tested on regular bases to ensure continued low emitting status.
- Electronic products purchased must meet the Energy Star standard and comply with the US Environmental Protection Agency.
- Purchasing and Contract Services, in conjunction with Facilities and OHS, are aligning the custodial product line to meet or exceed Leadership in Energy & Environmental Design (LEED) Green Cleaning standards (i.e. Environmental Choice Eco-Logo Program standards).
- Purchasing and Contract Services also takes into account the total life cycle of products to ensure they are not only manufactured in an environmental manner but also to ensure the composition of the product is such that decomposition at the end of life is safe.
- Recycling is also a key consideration. Last month 8,000 tons of computer and peripherals were diverted from the landfill. The recycling program for the district takes into account other items such as paper and cardboard.

- The development of the new Purchasing and Contract Services website will portray and environmental flavor helping identity green products.

(B) Ethical: Yes, while not explicitly identified in the policy, the district does consider environment and ethical aspects in the purchase of products. However, the ability to monitor work ethics is very difficult, costly and in some instances, impossible to control as components of products are required by manufacturers from a variety of sources.

2. WHAT WOULD BE THE RAMIFICATIONS OF INCLUDING ETHICAL AND ENVIRONMENTAL CONSIDERATIONS?

(A) Environmental: This process is currently being followed and vendors/manufactures have been quick to adapt as a result of public demand. Some products may be affected by an increase in price to accommodate this standard.

(B) Ethical: The administration ensures that vendors selling products or services to the district meet the district requirements for doing business which includes current liability insurance business license and WCB coverage. Manufacturers of products also demonstrate in the tendering process good business practices through ISO standards and responsible recycling programs. However, the origin of raw materials in the finished product may come from a variety of locations that is determined by the manufacturer and not controlled or known by the purchaser.

3. DOES THE POLICY ADHERE TO TILMA AND NAFTA REGULATIONS?

Yes. Purchasing and Contract Services follows the dollar limits set by TILMA and ensures equal opportunities to all vendors utilizing the Alberta Purchasing Connection and CoolNet Alberta websites. This is part of the Purchasing Regulation DJ.AR part B paragraph 4. (see attachment)

4. WHAT WAS THE INITIAL PURPOSE OF THE POLICY WITH RESPECT TO THE SECOND STATEMENT REGARDING ALL THINGS BEING EQUAL AND HOW OFTEN IS IT RELIED ON?

This statement is listed in our contracts identifying the practices of awarding a tie bid. In the event of a tie bid, the award would be made first to the local supplier then provincial and finally national. If the bid is tied locally, then the award is made to the bid registered first by Purchasing and Contract Services. This is not a common occurrence.

5. IS THIS POLICY NECESSARY?

Yes. The Board of Trustees needs a policy which provides a process should a tie bid occur. The policy also serves to positively convey the Board's desire to be a good corporate citizen of the Edmonton community by supporting local businesses.

Policies -> Table of Contents -> Business Administration

Edmonton Public Schools

Board Policies and Regulations

CODE: DJ.AR
TOPIC: Purchasing and Disposal

EFFECTIVE DATE: 11-04-2008
ISSUE DATE: 23-04-2008
REVIEW DATE: 04-2013

A. GENERAL

1. All items purchased in the name of a school or the board shall become the property of the Edmonton School District No. 7.
2. All purchases by Parent Advisory Groups which are donations to the district become the property of Edmonton Public Schools. All such donations must be accompanied by a signed transfer of title (EDBB.AR - Community Purchase of Supplies and Equipment).
3. In considering vendors' performance, consideration shall be given to:
 - a. reputation and experience
 - b. the ability to deliver or perform within the time specified
 - c. the ability to provide after sales' maintenance and service
 - d. past experience on previous orders.
4. In considering pre-qualification of vendors, the following criteria must be met. Individuals or vendors not complying with the following should contact Personnel Services:
 - a. current business licence
 - b. minimum of 2.0 million dollars Liability Insurance
 - c. W.C.B. coverage (where applicable)
 - d. employees of the district who wish to be treated as a vendor and enter into a contract with the district other than that of employment must comply with the above pre-qualification requirements as well as the following requirements:
 - i. provide a detailed overview on the type of product or service to be provided.
 - ii. submit requested information to the superintendent of schools for review and approval.

B. LIMITATIONS ON DIRECT PURCHASES

1. All purchases of supplies, equipment and services with a cost in excess of \$1000 per order must be made through Purchasing and Contract Services. Purchasing forms and procedures are set out on the Purchasing and Contract Services website.
2. Requests for quotations shall allow for appropriate timelines for processing, response and scheduling:
 - a. Emergency or unforeseen circumstances will be considered on a case-by-case basis.
 - b. Quotations for services originated at schools must be received at a predetermined location, with a stipulated closing time and date, and should indicate the opening time and date (refer to Clause C.4).
3. All purchases of services of the type ordinarily performed by district maintenance staff shall be in accordance with the requirements of the Maintenance Collective Agreement.

Quotations for such services shall be based on a written description of the scope of work and specifications appropriate for the complexity of the work.

Only vendors pre-qualified by Purchasing and Contract Services shall be allowed to bid.

4. Purchasing and Contract Services will abide by provincial and federal legislation as outlined in the Agreement on Internal Trade (AIT) as well as the Alberta Trade Investment and Labour Mobility Agreement (TILMA). Purchasing and Contract Services will abide by the following thresholds:
 - \$10,000 or greater for goods
 - \$75,000 or greater for services
 - \$100,000 or greater for construction
5. The district credit card may be used to make purchases on behalf of the district. Transaction limits are set as \$1,000 per purchase and \$3,000 per month. Transaction limits may be increased for travel and professional development and other types of purchases at PCS discretion by submitting an Increase Limit Form to Purchasing and Contract Services. Limits may be increased for other purchases at the discretion of Purchasing and Contract Services and the approval of the Treasurer.

C. PROCEDURES FOR HIGHER COST PURCHASES

1. Purchasing and Contract Services is authorized to purchase goods or services having an aggregate value of:
 - a. up to \$5,000 without obtaining quotations.

- b. up to \$15,000 after receiving verbal quotations from at least three suppliers.
 - c. \$15,000 or more based on written quotations/proposals. Written quotations/proposals shall be solicited by invitation, newspaper advertisement and/or electronic bidding system.
2. Requisitions submitted for supplies, equipment or services where the total cost will exceed \$15,000 will require the approval of an Assistant Superintendent prior to calling for bids.
3. All specifications shall be provided or revised as necessary by the user department in consultation with Purchasing and Contract Services.
4. All quotation/proposal envelopes, except those dealing with insurance, employee fringe benefit contracts, and legal services, are to be received by Purchasing and Contract Services. Exceptions are to be directed to the location identified in the tender or quotation/proposal. Any quotation/proposal arriving after the closing date and time will be rejected. Quotations/proposals received after the closing date and time by mail will be marked "Late Quotation/Proposal" and returned to the bidder.
5. The opening of quotations/proposals originated by Purchasing and Contract Services shall take place immediately after the closing time and shall be attended by a procurement agent/officer/manager and a minimum of one other Purchasing and Contract Services representative. Results pertaining to the quotations may be provided to participating vendors during the opening of the quotation. Information pertaining to proposals will not be released until the review process has been completed and the successful vendor(s) have been identified.
6. The opening of construction tenders shall take place immediately after the closing time and shall be attended by a Purchasing and Contract Services representative and a minimum of one other person from either Purchasing and Contract Services or the user department.
7. Selections shall be made by a representative of the user department in consultation with Purchasing and Contract Services.
8. Where Purchasing and Contract Services believes that a bid, which meets the specifications for a purchase (other than lowest bid), should be accepted, the approval of the Superintendent of Schools shall be obtained prior to making the award. The Superintendent of Schools may request the prior approval of the board.
9. All quotations and related documents shall be available for review for a period up to one year after an award has been made.
10. Purchasing and Contract Services may negotiate the purchase of used furniture or equipment without obtaining quotations.

D. DISPOSAL OF SURPLUS ITEMS

1. Purchasing and Contract Services shall arrange disposal of surplus supplies, furniture or equipment and the subsequent transfer of credit within the district.
2.
 - a. Schools and decision units who wish to dispose of supplies, furniture, or equipment surplus to their own requirements shall notify Purchasing and Contract Services, and provide a detailed list of the surplus items.
 - b. Purchasing and Contract Services shall dispose of declared surpluses by:
 - i. advertising declared surpluses throughout the district on behalf of schools or decision units; or
 - ii. externally, for items having a value of less than \$5,000.
 - by holding a public sale which shall be advertised in a local newspaper; or
 - by inviting sealed bids for specific items; or
 - post on Alberta Purchasing Connection (APC); or
 - by public auction with or without a reserve bid; and, or
 - the following process:
 - advertising online under Surplus Assets
 - advertising to other non-profit organizations
 - advertising to the general public and staff using the Internet C-Port
 - by trade-ins on new purchases.

Note: Any other method of disposal requires the prior approval of the Superintendent of Schools.
 - iii. in accordance with the *School Act* and related regulations for items having a value of \$5,000 or more.

E. DISPOSAL OF COMPUTERS

1. In order to meet the legal requirements under the *Freedom of Information and Protection of Privacy Act (FOIP)* under Part 2, Protection of Privacy Division 1, Collection of Personal Information Section 38, Purchasing and Contract Services (PCS) require any computer device, which retains any type of student information or district operational

information, rendered incapable of retrieving these records.

2. To ensure that confidential data on computers is not accidentally released, decision unit managers must take the following precautions when disposing of these computers:
 - a. Fill out, initial and sign Computer Disposal Exception Request (CDER) form and follow directions on form.
 - b. Send CDER form to Purchasing and Contract Services
3. Upon receipt of the CDER form, Purchasing and Contract Services will contact a recycling firm to pick up surplus computers.

Reference(s):

DJ.BP - Purchasing

FLA.AR - School Consolidation: Equipment Disposal

EDEB.AR - Community Purchase of Supplies and Equipment

School Act Section 200

Freedom of Information and Protection of Privacy Act
