

Title	<b>PURCHASING</b>	Policy No.	1001
Department	<b>BUSINESS SERVICES</b>		
Reference(s)	- <i>Education Act, Section 217</i> - The Quebec/Ontario Interprovincial Trade Agreement 1997 (as amended) - Procedure - Petty Cash - Procedure - Purchasing Card - Procedure - Purchasing	Effective Date	1999 Feb. 23

It is the policy of the Board to endeavour to meet system needs within the approved budget.

### 1.0 Price Quotations and Tender Limit

Purchase of supplies and services by, and on behalf of, the Board by its employees shall be made in the following manners, depending upon the cost of such supplies or services:

- |                  |  |
|------------------|--|
| \$0-\$1,000      | - within the authority and budget limits of Board employees  |
| \$1,001-\$50,000 | - three written quotations on firms' letterhead, if possible |
| Over \$50,000    | - sealed tender issued by Supply Management Department       |
|                  | - tenders may be advertised regardless of dollar value       |

All tender bid results are to be maintained in the Bids Information Binder located at the Education Centre Reception Centre.

### 2.0 Request for Proposals

A Request for Proposal may be used in place of tenders when the specifications are unable to be clearly defined

**or**

the Board authorizes the use of a Request for Proposal for goods or services that would normally be tendered.

Recommendations pertaining to Requests for Proposal with a value exceeding \$50,000 are to be presented to the Board for consideration and approval.

All Request for Proposal bid results are to be maintained in the Bids Information Binder located at the Education Centre Reception Centre.

Administered By	<b>BUSINESS SERVICES</b>	Board Resolution No.	32-B. 8
Amendment Date(s)	2003 Apr. 22	Amendment Res. No.	11.b.10

### 3.0 **Negotiations**

Where goods or services are to be obtained other than by price quotation, tender or request for proposal, the Board is to provide prior approval. A negotiated contract usually involves a single source supplier or when it is determined that the best interests of the Board can be better served by negotiation. The proposed agreement particulars must be presented to the Board for consideration and approval.

**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.**

### 4.0 **Local Preference**

Subject to Paragraph 5.0, local and then Canadian supplier preference will be used when all factors such as price, quality and delivery are equal.

### 5.0 **Regulatory Requirements and Trade Agreements**

All purchases are to be made in accordance with the requirements of all relevant statutes and Regulations such as the Capital Grant Plan and trade agreements such as the Quebec-Ontario Trade Agreement 1997 (as amended).

### 6.0 **Disclosure of Information**

- 6.1 The name of the successful bidder and the accepted price is public knowledge.
- 6.2 Bidders must clearly state in writing if disclosure of any portion of their bid information would cause injury to the company.
- 6.3 All vendors who submit bids and other interested persons may attend tender or Request for Proposal openings.
- 6.4 All vendors who submit bids and other interested persons may attend tender or Request for Proposal openings.
- 6.5 Additional information will be provided through request within the terms of the *Municipal Freedom of Information and Protection of Privacy Act*.
- 6.6 All prices for tendered building projects will be disclosed at the bid information opening.

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>- <i>Education Act Section 217</i></li> <li>- <i>The Quebec/Ontario Interprovincial Trade Agreement 1997 (As Amended)</i></li> </ul>	Effective Date	1999 Feb. 23

Employees may make purchases on behalf of the Board in accordance with the Purchasing Policy and Procedure and within the scope of their authority and approved budget.

**1. Petty Cash and Purchasing Cards**

Purchases may be made using a Board-issued purchasing card or through petty cash. The use of petty cash and purchasing cards is outlined in procedures.

**2. Purchase Requisitions**

The Purchase Requisition System (PRS) is expected to be used for goods and services other than those acquired using petty cash or purchasing cards. The Purchasing Department maintains a large product range on this system. This system provides ease of use while the products have the benefit of factors such as quality, price, delivery and warranties having been addressed by the Purchasing Department.

Items that are not included in the Purchase Requisition System product range may be acquired provided that the required bid information is obtained. The Purchasing Department will assist and offer advice for the purchase of these goods and services.

Purchase orders, bid information and related documents are maintained in the Purchasing Department.

**3. Tenders**

The Purchasing Department formulates and issues tenders based on specifications developed in consultation with the applicable departments. External consultants are used in some circumstances, primarily for facility projects, to develop specifications. External consultants are excluded from bidding on the project.

Sealed tenders are invited in the name of the Chairperson of the Board. Tenders are advertised on the Internet and in compliance with the Ontario/Quebec Interprovincial Trade Agreement 1997 (as amended). Tenders are also sent to those suppliers included on an approved bidders list and may be advertised in newspapers.

Administered By	<b>BUSINESS SERVICES</b>
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All tenders will specify a location, day and time for receipt by the Board. On the closing day, the Purchasing Department or external consultants will open and record the bid information.

**4. Request for Proposal (RFP)**

The RFP provides special procedure to obtain goods and services on a competitive basis where the specifications and technical details cannot be clearly defined or the Board authorizes the use of an RFP. The Purchasing Department will develop the RFP in consultation with the department requiring the goods or services.

The issue and receipt of requests for proposals will be handled in the same fashion as tenders. 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 \$50,000 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.

**5. Reporting of Tenders and Requests for Proposal**

The results of all tenders and requests for proposal are available through the Board's web site.

A binder with up-to-date tender and request for proposal bid results shall be maintained at the Education Centre reception area.

**6. Negotiated Contracts**

A negotiated contract usually involves a single source supplier or when it is determined that the best interests of the Board can be better served by negotiation.

The Board must authorize the negotiation process, then the team responsible (Purchasing staff and/or applicable department staff) negotiates the terms of the contract and presents details of the contract to the Board for consideration and approval.



# **PURCHASING CARD PROGRAM**

## **PROCEDURES MANUAL**

**for Schools and Offices under the jurisdiction of the  
Thames Valley District School Board**

**May 2006**

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## **I. KEY CONTACTS**

Plan Administrators                      TVDSB - Education Centre                      Fax (519)452-2298

Marna Caskanette  
(519)452-2000 ext. 20348  
[m.caskanette@tvdsb.on.ca](mailto:m.caskanette@tvdsb.on.ca)

Christine Gelinis  
(519)452-2000 ext. 20349  
[c.gelinis@tvdsb.on.ca](mailto:c.gelinis@tvdsb.on.ca)

BMO ePurchasing Solutions Customer Service                      1-800-263-2263  
BMO ePurchasing Solutions Lost/Stolen Department(24 hours)                      1-800-361-3361

## **II. PURPOSE**

1. The purpose of the Thames Valley District School Board BMO ePurchasing Solutions Mastercard Purchasing Card Program is to establish a more efficient, cost effective method of purchase and payment for small dollar transactions.
2. The Purchasing Card is designed to be used for small dollar purchases of goods and services generally under \$1000, within the limits prescribed. This manual provides the guidelines for staff members who will use the Purchasing Card.
3. The Purchasing Card can be used at any vendor or supplier who accepts the Mastercard card throughout Canada or any other country.

## **III. ACTIVATING PURCHASING CARD**

**It is imperative that the card is activated before it can be used. To activate a card the cardholder must phone 1-800-781-2007.**

**When you receive your card, sign the back of the card and always keep it in a secure place. Although the card is issued in your name, it is the property of the Thames Valley District School Board and is only to be used for Board purchases as defined in this manual.**

#### **IV. CONTROL FEATURES BUILT INTO THE PROGRAM**

1. Authorization controls are set by the Board. These include:
  - Monthly credit limits for individual cardholders
  - Single dollar transaction limits for individual cardholders

Each card's limits are separately set within a defined range established by the Board and authorized by your Manager/Principal to fit the needs of the individual.

Note: A transaction cannot be split into 2 or more transactions to bypass the single transaction dollar limit. If a cardholder finds that their monthly credit limit or single transaction limit is too low to accommodate their purchasing needs, they are to contact their immediate Supervisor, Manager or Principal to re-evaluate their limits. Supervisors, Managers or Principals will advise the Plan Administrator by fax, phone or e-mail of the changes which can be implemented the same day.

2. For control purposes cash advances will not be authorized.
3. If a cardholder feels a purchase has been wrongly declined then he/she should immediately contact the Plan Administrators to determine the nature of the decline.
4. Managers/Principals may receive reports on request providing transactions, summaries, and other details. These reports are designed to assist management in monitoring purchase transactions. The Plan Administrator can advise what other reports are available.
5. The Thames Valley District School Board BMO ePurchasing Solutions Mastercard Purchasing Card is linked to the Board's General Ledger budget accounts structure. Each card has been assigned a default budget code which will be used to process payment for purchases made on the card. An opportunity for re-allocation of expenditures to alternate budget accounting codes will be provided at the discretion of the Manager/Principal and will be accommodated by the Thames Valley District School Board Financial Services.
6. The Purchasing Card is **ONLY** for use by the cardholder to whom it was issued and is intended to facilitate the purchase and payment of materials and services required to conduct Thames Valley District School Board business. **Any use of this card for a personal purpose or the lending of this card to another individual is strictly prohibited. Such fraudulent use of the card could result in disciplinary action up to and including dismissal.**

Note: Regular spot audits will be performed to ensure successful compliance with Board policies.

## **V. PURCHASING PROCEDURES**

### 1. PICK-UP PURCHASES

The steps of a typical pick-up order include the following:

- the cardholder selects merchandise and presents it with the card to the cashier
- the cashier totals the sale and obtains authorization from Mastercard
- the cardholder signs a detailed cash register receipt and receives a copy to be retained with his/her records (Vendor's GST number must appear on the cash register receipt)
- the Cardholder then retains the receipt until their Monthly Statement is received

### 2. TELEPHONE, MAIL, AND FAX PURCHASES

The steps of a typical telephone/mail/fax order include the following:

- the cardholder selects merchandise or service and then calls/mails/faxes the supplier with the order
- the cardholder instructs the supplier to charge the merchandise/service to their BMO ePurchasing Solutions Mastercard Purchasing Card and provides the card number
- the cardholder must instruct the supplier to:
  - (a) forward a receipt to cardholder for confirmation
  - (b) ensure that the GST number is on the receipt
- when goods are received, the cardholder retains the receipt until their Monthly Statement is received

### 3. INTERNET PURCHASES

The steps of a typical internet purchase including the following:

- the cardholder selects the merchandise or service from the vendor website
- the cardholder provides the BMO ePurchasing Solutions Mastercard Purchasing Card number together with expiry date
- the cardholder confirms the transaction and requests a receipt
- the cardholder prints the receipt and retains the receipt until their Monthly Statement is received

## **VI. ACCEPTABLE PURCHASING CARD USES**

The following are some examples of acceptable Purchasing Card uses:

- Business-related uses
- Purchase/rental small tools & equipment
- Subscriptions
- Seminars, dues, travel
- Film/film processing
- Vehicle supplies
- Computer hardware and components\*
- Computer software\*
- Chemicals, catalysts, additives\*
- Consumables
- Contract services, repairs
- Maintenance, electrical, safety supplies\*
- Office supplies/furniture
- Books - Text books/Library books

\*Note: Purchases of goods or services with a purchasing card are subject to any Board policies, procedures and guidelines

## **VII. UNACCEPTABLE PURCHASING CARD USES**

The following are unacceptable Purchasing Card uses:

- Personal uses
- Cash advances
- Lending card to other individuals

## **VIII. RECORD RETENTION, RECONCILIATION AND PAYMENT**

Each cardholder will receive a monthly statement on the 28<sup>th</sup> day of each month (or the next business day in the event of a Saturday/Sunday or holiday) identifying each transaction captured against the card during the previous month (cycle). This statement will list the purchases captured and the total expended by the cardholder during the statement period. **DO NOT DISCARD THIS STATEMENT.** If you received a statement it means that you used your card. **The Board is responsible for payment not you.** You are only responsible for reporting your purchases.

The following steps are required of each cardholder for the reconciliation of all purchasing cards:

1. The cardholder matches all purchasing card receipts with the transactions listed on his/her statement.

**Note: BOOKS are 100% GST rebatable. If you buy books do so separately from other merchandise and enter the word BOOKS in block letters as a description on your**

**Monthly Statement. This will ensure that your budget will be correctly charged. If you fail to do this 32% of the GST will be added to your purchase.**

2. The cardholder acknowledges the verification of all monthly transactions listed by signing the Monthly Statement at the bottom. Any discrepancies must be identified and appropriate action taken to resolve the problem (see Section X. Dispute Process).
3. Retain all receipts that do not appear on the statement for reconciliation with the next month's Monthly Statement.
4. Forward the Monthly Statement and all associated receipts/charge slips to your Manager/Principal for review and approval **within 5 days of receipt of the statement by the cardholder**. Your Manager/Principal will review and approve it and forward same to the Plan Administrator for retention for future reference and/or audit purposes.

Note: Superintendents/Managers/Principals are to forward their Monthly Statement to their immediate supervisor for approval

Custodians are to forward their Monthly Statement to their Supervisor for approval

All other cardholders are to forward their Monthly Statement to their Manager for approval

5. The Finance Department will assume that all transactions recorded by the bank are legitimate, and payment to the bank will be processed without approval by cardholders/Managers in accordance with the Master Agreement between the Board and Bank of Montreal. Responsibility rests with the cardholder and Principals/Managers to ensure all transactions are accurate, legitimate, and charged to the correct budget accounts.

## **IX. RECEIPTS AND/OR CHARGE SLIPS**

It is a cardholder's responsibility to keep receipts and/or charge slips in a safe place in order to reconcile their Monthly Statement.

If a cardholder has lost/misplaced a receipt and/or charge slip follow these steps:

- contact the vendor and request a duplicate
- if the cardholder cannot get a duplicate receipt from the vendor, a duplicate can be obtained by contacting the BMO ePurchasing Solutions Customer Service at 1-800-263-2263. There will be a \$2 fee for requesting a receipt from the bank which the cardholder must reimburse the Board by providing and attaching a cheque to their Monthly Statement payable to the Thames Valley District School Board
- the school/department account will then be credited together with the appropriate GST rebate calculation made by the Plan Administrator

## **X. DISPUTE PROCESS**

If a cardholder does not agree with a charge posted on the Monthly Statement, the cardholder can dispute the charge.

The following steps should be taken for all transactions in dispute:

1. Cardholder contacts supplier/vendor directly to try to resolve the error.
2. If the supplier/vendor agrees that an error has been made, a credit will be made to your account. Cardholder to ensure credit is received on next Monthly Statement.
3. If the vendor does not agree that an error has been made, contact BMO ePurchasing Solutions Customer Service at 1-800-263-2263. State that you would like to dispute a charge on your card. The bank will immediately credit the cardholder account with the disputed amount and initiate an investigation. You may be asked to sign a Dispute Letter which will be sent to you. Upon the return of the letter to the bank a copy of the transaction slip will be ordered. In the event the charge is legitimate a copy of the sales slip will be sent to you with a repost of the charge to your account. If it is not a valid charge for your account, the credit will remain. Any transaction over 100 days old cannot be disputed with the merchant by the bank. The cardholder must also notify and provide a copy of the Dispute Letter to the Plan Administrator.

## **XI. TRANSFERS/RELOCATIONS OF EMPLOYEES**

The following steps should be taken when an employee is transferred or relocated within the Board:

1. The Manager/Principal is to notify the Plan Administrator when an employee is being transferred or relocated.
2. The Manager/Principal of the employee's new location is to advise the Plan Administrator of the new location name, address, phone number, accounting code and any changes to the monthly credit limit and/or single transaction limit.
3. The Plan Administrator will notify BMO ePurchasing Solutions of these changes.

## **XII. EMPLOYEES TEMPORARILY ON LEAVE, WSIB, etc**

The following are steps to be taken if an employee is on a leave of absence, Workplace Safety and Insurance Board claim, long-term disability claim, or otherwise to be away from his/her regular place of employment for an extended period of time:

1. The appropriate Manager/Principal is responsible for the retrieval of the employee's card.
2. The Manager/Principal will return the card to the Plan Administrator for cancellation.
3. Upon their return to active duty, if a new card is requested, a new application is necessary but additional in-service is not required.

## **XIII. RETIRED/TERMINATED EMPLOYEES**

The following are steps taken when an employee leaves the Board:

1. The appropriate Manager/Principal is responsible for collecting the card, cutting it in half and forwarding it to the Plan Administrator with a request for cancellation and the reason for the request.
2. The Plan Administrator will advise the bank to cancel the card.

## **XIV. LOST OR STOLEN CARDS**

The **cardholder** must notify the BMO ePurchasing Solutions Lost/Stolen Department at 1-800-361-3361 as well as the Plan Administrator immediately of any lost or stolen card. The lost or stolen card will be cancelled and a replacement card will be issued. Failure to report a stolen or lost card promptly could result in the cardholder being responsible for the first \$50 of fraudulent charges. Employees should treat this card as they would their own personal credit card.

## **XV. OWNERSHIP OF CARDS**

All Purchasing Cards issued by the Thames Valley District School Board remain the property of BMO ePurchasing Solutions and as such may be cancelled/revoked at any time.

## **XVI. AUDIT**

All transactions, statements and monthly statements are subject to review and audit by the cardholder's Manager/Principal, Financial Services Department and the Board's internal/external auditors at any time.

All documents pertaining to transactions will be retained for audit purposes at the Education Centre for a period of five years or such period as is set out in legislation.

## **GST on Books**

“Printed book” includes an audio recording of a printed book but does not include anything that is or the main component of which is:

- ⇒ a newspaper
- ⇒ a magazine or periodical acquired otherwise than by subscription, or in which the printed space devoted to advertising is more than 5% of the printed space
- ⇒ a brochure or pamphlet
- ⇒ a sales catalogue, a price list or advertising material
- ⇒ a warranty booklet or an owner’s manual
- ⇒ a book designed primarily for writing on
- ⇒ a colouring book or a book designed primarily for drawing on or affixing thereto, or inserting therein, items such as clippings, pictures, coins, stamps or stickers
- ⇒ a cut-out book or a press-out book
- ⇒ a program relating to an event or performance
- ⇒ an agenda, calendar, syllabus or timetable
- ⇒ a directory, an assemblage of charts or an assemblage of street or road maps, but not including a guidebook or an atlas that consists in whole or in part of maps other than street or road maps
- ⇒ a rate book
- ⇒ an assemblage of blue prints, patterns or stencils

⇒ prescribed property

⇒ an assemblage or collection of, or any item similar to, items included in any of paragraphs in any of above.