

administrative regulation

Administrative
Regulation No.
7001

Classification:
Finance

Effective Date:
August 31, 2020

Purchase of Goods and Services

1 | Purpose

The purpose of this administrative regulation is:

- to provide direction and clarity regarding the purchasing of goods and services within The Calgary Board of Education; and
- to ensure transparency and accountability in how funds are used by CBE to procure goods and services.

2 | Scope

This administrative regulation applies to:

- all CBE employees; and
- all purchases of goods and services from any and all Calgary Board of Education managed funds including:
 - School and department centralized budget allocations;
 - Calgary Board of Education administered staff development funds;
 - School decentralized budgets;
 - School generated funds;
 - Funds raised by The Calgary Board of Education revenue generating initiatives; and
 - Any other funds received by any school or department of The Calgary Board of Education from any source.

This administrative regulation does not apply to:

- Employee collective agreements;
- Provincially managed capital projects specifically regulated by Government of Alberta legislation, policies and processes;
- Premium paid to insurance companies;
- Brokerage companies procedures and regulations;
- Land acquisition and lease back of property; and
- Joint-use property arrangements.

3 | Compliance

All employees are responsible for knowing, understanding and complying with this Administrative Regulation.

Failure to comply with this Administrative Regulation may result in disciplinary action up to and including dismissal.

4 | Principles

The following principles apply.

- CBE seeks to ensure that maximum value is obtained for the money that is spent.

- Goods and services are obtained in a competitive manner following prudent business practices.
- Competition is fair, transparent and open; no special treatment is given to any supplier.
- Award decisions are made in an ethical manner.
- Practices comply with the appropriate legislation, regulations and trade agreements.

5 | Definitions

Authority Level: means the maximum dollar value that an Expenditure Authority can commit to for the purchase of goods and services on behalf of the Calgary Board of Education.

Brokerage: means a third party who acts as an intermediary that connects buyers and sellers to facilitate a transaction.

CBE: means The Calgary Board of Education.

Contract: means a written document outlining terms and conditions for the purchase of goods or services, including rights and obligations of CBE and the supplier.

Emergency Condition: means a condition in which, in the opinion of an expenditure authority, loss of life or property may occur if immediate action is not taken.

Expenditure Authority: means the specific positions within CBE that have been given an authority level. An expenditure authority may delegate their authority but cannot delegate their accountability.

Goods: means products that consist of tangible, durable or consumable items.

Purchase Order: means a contract between the CBE and a supplier for the purchase of goods and/or services at an agreed upon price, quantity, quality and delivery date.

Services: means outputs that consist of tasks performed by individuals.

Single Source: means a specific supplier who is selected to provide goods and services without utilizing a normal competitive process.

Sole Source: means a specific supplier who is the only supplier of goods and services that are required.

6 | Regulation Statement

**Purchasing
Goods and
Services**

- 1) Procurement Services facilitates the purchase of goods and services.
- 2) All purchases and procurement processes must be transparent, fair, and well documented.
- 3) An appropriate expenditure authority must approve all purchases.
- 4) A formal CBE purchase order is required for all purchases of capital goods and services regardless of cost.
- 5) All documentation of purchases and the procurement processes must be maintained in accordance with CBE Records Management and CBE's Classification and Retention Schedule.
- 6) Procurement Services must be contacted to initiate the Request for Proposal, the Request for Quote or the Invitation to Tender process.
- 7) CBE will utilize the services of a broker for purchases, when the use of a broker is required or of benefit to CBE.
- 8) Any purchases of goods and services with donations must also comply with Administrative Regulation 7009 – Donations from the Community/Fund Development.

**Funds for
Purchase**

- 9) Sufficient funds must be in the approved budget of the appropriate school/service unit to which the expenditure authority is linked, before initiating a purchase.
- 10) Purchasing the services of a lawyer requires the approval of Legal Services.

7 | | Procedures

**Purchases
Less Than
\$10,000**

- 11) For purchase of goods and/or services less than \$10,000:
 - a) if a contract exists with a supplier who can supply the required goods and/or services, then these goods and/or services shall be ordered from the contracted supplier.
 - b) in the absence of any contract, goods and/or services may be ordered directly from any supplier but the purchases must align with the principles outlined in this regulation. If assistance is required, Procurement Services should be contacted.

**Purchases
Over \$10,000**

- 12) Purchase of goods and/or services over \$10,000:



- a) if a contract exists with pre-negotiated prices for specific goods and/or services (e.g., a Blanket Agreement) then these goods and services can be ordered directly under such Blanket Agreement without needing competitive quotes;
 - b) in the absence of such agreement;
 - i) with a cost between \$10,000 and \$75,000 requires a minimum of three competitive quotes. Documentation must be maintained
 - ii) with a cost exceeding \$75,000 requires a formal competitive process such as a Request For Proposal (RFP) or a Request for Quote (RFQ), or an Invitation to Tender (IT).
- 13) A formal CBE Purchase Order is required for all orders of more than \$10,000.
- 14) Purchasing services or goods, including furniture, fixtures and equipment that are associated with changes to CBE buildings or facilities, requires consultation with and the approval of Facilities and Environmental Services.
- 15) The purchase of new computer software or computer hardware which is not on the approved for purchase list requires review and acceptance by Client Technology Services and/or Information Technology Services, and may require a privacy impact assessment.
- 16) Only specific employees have the authority to requisition the purchase of goods and services or purchase directly from a supplier or sign contracts.
- 17) Authority levels must not exceed the maximum values by position and situation as identified by the Expenditure Authority Matrix.
- 18) The authority levels apply to those in acting capacity and who have been delegated authority in writing.
- 19) Splitting or dividing the purchase of goods or services in order to avoid exceeding an individual's authorized limit is prohibited.
- 20) Prior to authorizing an expenditure, the Expenditure authority shall confirm that

- a) sufficient funds remain within the relevant budget,
- b) the purchase is necessary and appropriate, and

Expenditure Authority

c) the requirements of this Administrative Regulation have been followed.

Sole or Single Sourcing

- 21) Single Source/ Sole Source or Brand Specific procurement of goods or services will be permitted if they fall into one of the trade agreement exceptions. Examples of trade agreement exceptions are:
- a. an emergency condition exists;
 - b. a confidential situation exists;
 - c. works of art;
 - d. patents, copyrights or other exclusive rights;
 - e. other obligations which may prevent CBE for using normal competitive processes;
 - f. supply of goods or services is controlled by a supplier that is a statutory monopoly;
 - g. work is to be performed on property by contractor according to provisions of a warranty or guarantee held in respect of the property or the original work;
 - h. work is to be performed on a leased building or related property or portions thereof, that may be performed only by the lessor;
 - i. procurement of subscriptions to newspapers, magazines or other periodicals

Contract Length

- 22) CBE reserves the right to make the final decision around length of contracts.
- 23) Total committed and optional duration of a contract (Initial term plus renewal terms) for the purchase of good and services exceeding \$75,000 in total cost may not exceed a maximum length of five years unless approved by the director of Corporate Finance.

Multi-year Payment Plan

- 24) Purchase of goods or services on a multi-year payment plan requires prior approval of the chief financial officer or designate.

8 | History

Approval	August 31, 2025
Next Review	August 2025
Revision/Review Dates	April 17, 2002 June 11, 2003 April 18, 2005 July 1, 2007 December 1, 2007

	December 6, 2007 April 1, 2009 March 5, 2012 June 2014
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9 | Related Information

- Request for Single/ Sole Source Purchase
- Expenditure Authority Matrix