

INDEX

PURCHASING, MATERIAL CONTROL, WAREHOUSE PROCEDURES

<u>Procedure</u>	<u>Title</u>	<u>Page</u>
<u>Purchasing</u>		
PP-010	Introduction - Purchasing Procedures Manual	2
PP-011	Ethic Conflict of Interest	N/A
PP-020	Delegation of Commitment Authority	3
PP-030	Approval Requirements for Purchases	4
PP-040	Approval Requirements for Requisitions, S.S.R. and Work Order s	5
PP-050	Quotations	7
PP-060	Bids, Quotations and Contracts Evaluations	9
PP-070	Bids and Quotations - Processing	12
PP-080	Standing Purchase Orders	14
PP-090	Change Orders	16
PP-100	Freight/Courier Costs	17
PP-110	Requisition Issuing Procedures	18
PP-120	Requisition - Processing Priorities	22
PP-130	Purchase Order Cancellation	23
PP-140	Purchase Order Control	24
PP-150	Purchase Order Terms and Conditions	25
PP-160	Vendor Evaluation	N/A
<u>Material Control</u>		
MC-010	Introduction - Materials Control	27
MC-020	Fixed Assets	28
MC-030	Sale of Fixed Assets	29
MC-040	Repairs	N/A
<u>Warehouse</u>		
WP-010	Introduction - Warehouse Procedures	30
WP-020	Warehouse Inventory Control Procedures	31
WP-011	Receiving	32
WP-012	Shipping	33
WP-013	TDG	N/A
WP-014	Stores	N/A

Title: INTRODUCTION - PURCHASING PROCEDURES MANUAL

I PROCEDURE

To establish a uniform procedure applying to the purchase of all material and services, and related tasks assigned to the Purchasing Department, consistent with Rocky View School Division No. 41 Policy DJ.

II RESPONSIBILITY

It is the responsibility of each employee involved in the purchasing process to understand and follow the policies upon which these procedures are based.

It is the responsibility of each employee involved in the purchasing process to be familiar and follow the Code of Ethics that is attached.

If there are any question or concerns relative to either the policies or procedures, these questions should be directed to the attention of the Purchasing Manager or the Supervisor of Finance.

PROCEDURE NO.: PP-020

Title: DELEGATION OF COMMITMENT AUTHORITY

I PROCEDURE

To establish a procedure for the delegation of commitment authority and responsibility to the designated employee of the Purchasing Department; applying to the purchases of materials, equipment, supplies, and services.

II A. DELEGATION OF AUTHORITY

The Supervisor of Finance may delegate the responsibility of purchasing operations to the appropriate individual(s).

Further delegation of commitment authority is as follows: (the individuals identified below are responsible for the purchasing transactions within the guidelines and procedures set forth.)

CATEGORIES

<u>Schools/Office</u>	<u>Maintenance Department</u>
Purchasing Manager	Buyer
Buyer	Jr. Buyer
Jr. Buyer	Maintenance Secretary
Purchasing Secretary	Warehouseman
Warehouseman	Individuals assigned gasoline credit cards
Individuals assigned purchasing Cards	Individuals assigned purchasing cards

B. IN THE ABSENCE OF THE PURCHASING MANAGER or THE SUPERVISOR OF FINANCE

The Buyers will consult with the Secretary Treasurer in the event of an emergency or large purchases over their authority.

III THE DOLLAR LIMITS TO SIGNING AUTHORITY

As per Policy DJ

PROCEDURE NO.: PP-030

Title: APPROVAL REQUIREMENTS FOR PURCHASES

I PROCEDURE

To establish a procedure for definition of approval requirements for purchasing commitment, as it applies to all purchasing transactions.

II GENERAL

A procedure for authorization and approval is an important element of internal control. Unless the Buyer has approval authority under the approved budget, the Buyer is required to obtain appropriate approval of each purchase transaction prior to the establishment of a firm order or contract. For the requirements of department heads, principals, or other designated individuals to approve purchase requisitions prior to submission to the Purchasing Department, see Procedure PP-040.

PROCEDURE NO.: PP-040

Title: APPROVAL REQUIREMENTS FOR REQUISITIONS, SSR's AND WORK ORDERS

I PROCEDURE

To establish a procedure for definition of authority for the approval of all purchase orders and requisitions and work orders.

II APPROVALS

Purchase requisitions, SSRs, and work orders must be approved by the appropriate individual(s) prior to the issuance of any purchase order. The Buyer is responsible for ensuring that the appropriate signature/information is in the approval block of the purchase requisition before issuing an order.

At the beginning of the school year a signature sheet will be sent to all the schools to obtain signatures of those delegated to have authority for all scenarios.

The following guidelines are provided to assist the Buyer in ensuring that requisitions are properly approved prior to purchase:

School Supplies, Furniture and Equipment requisitions will be signed by the School Principal or Assistant Principal or other Principal designate if upon written notice to the Supervisor of Finance.

Library Book requisitions will be signed by the School Principal or Assistant Principal, and forwarded to the Media Services Coordinator

School Janitorial Supplies requisitions, excluding the Warehouse Requisition, will be signed by the School Principal, Assistant Principal, or by the Supervisor of Caretaking. The Supervisor of Caretaking will approve all janitorial requisitions before processing by the Purchasing Department for issuance.

Building Materials, Plumbing and Electrical Supplies and equipment will be requisitioned on a Supply/Service Request signed by the Supervisor of Maintenance or his designate and purchased as required by the Purchasing Department.

Central Office Supplies, Furniture and Equipment requisitions will be signed by the Office Manager.

Central Office Janitorial Supplies requisitions will be signed by the Supervisor –of Caretaking.

Work Orders will be signed by the school principal or assistant principal. Work orders must have budget authority.

Central Office Special Budgets

Certain special budgets will have people designated for the approval authority.

Unique/Unusual Items

Whenever a requisition is submitted for a unique or unusual item, the Buyer will advise the Purchasing Manager of the circumstances prior to issuance of the order.

PROCEDURE NO.: PP-050

Title: QUOTATIONS

I PROCEDURE

To provide a procedure for obtaining competitive quotations on items not covered by contract. This procedure applies to all transactions on materials and/or services with an estimated price over \$5,000.00.

II TYPES OF QUOTATIONS

Verbal (\$1000.00-\$5,000.00)

Verbal quotations can be obtained by telephone and confirmed by FAX, or in person, and are documented in purchase order form up to \$5,000.00. A minimum of two (2) suppliers is acceptable for verbal requests, provided the Buyer is familiar with the market and prices of the material in question. The quotes gathered in this manner should be attached to or written on the ensuing purchase order.

Written Informal(> \$5,000.00-\$25,000.00)

If time is critical and dollar level is relatively low an invitational quotation may be solicited from a minimum of three vendors that have proven themselves in the past; where their price has been consistently low, product or service good and confidence of end user or requisitioner is high.

Written Formal

Written Requests for Quotations or Request for Proposals Request for Tender Request for Qualification and Request for Information will be solicited from vendors under the following conditions:

- Over \$25,000
- Contracts for services.
- Long term supply of items.
- Disposal of Asset or Asset recovery.

Complete information should be provided, including assigned quotation number, date, quantity, description, delivery requirements, special conditions, drawings, closing date, and specifications. The Buyer, when purchasing material and/or services requiring written requests for quotation, will solicit prices from three or more vendors.

Electronic

Electronic quotations can be obtained by use of the internet, electronic B2B, reverse marketing or others. The Agreement on Internal Trade, when limits are triggered, is much easier to comply with when using Electronic means.

The Buyer, when obtaining quotations, should keep in mind that other departments of the School Division can provide the desired material or services. Items should be checked against surplus or the possibility that items may be made in our cabinet shop at a competitive cost.

Quotations will be obtained from vendors whom the Buyer knows are qualified or can be qualified to meet all requirements. An acceptable vendor application should be part of the criteria for accepting the vendors.

Answers to technical questions arising during the quotation period, should be provided by the requisitioner. The buyer should coordinate the reply and ensure that all potential suppliers are provided the same information.

When all quotations have been received and reviewed, determination of the best value and award of the order will be made by the Buyer.
(refer to Procedure PP-060)

It is good practice to notify unsuccessful vendors that the quotations have been closed and contract awarded. This can be done verbally or by letter.

Unless specific exception has been obtained from the Secretary-Treasurer, quotations will not be solicited from, or any order placed with a company that:

1. Is owned, controlled or actively influenced by any Division employee or trustee or immediate relative of said employee or trustee. (refer to School Act).

PROCEDURE NO.: PP-060

Title: BIDS, QUOTATIONS AND CONTRACTS EVALUATIONS

I PROCEDURE

To establish a procedure outlining basic guidelines for evaluating all vendor Bids, Quotes, and/or Contracts.

II OUTLINE OF STEPS

A. Evaluating the Bids/Quotes/Contracts

Once the bids/quotes/contracts are received, they must be evaluated to determine which vendor will be given the order.

It is recognized that the primary objective of the Purchasing Department is the timely acquisition of goods and services at the lowest total cost. Elements of total cost, in addition to basic price, include transportation, storage, service, technical assistance, and willingness to stock material for our requirements. The Buyer must evaluate each of these and other criteria to decide which proposal represents greatest value or lowest total cost to the Division. Since several of these decisions are subjective, it is important that the reasoning employed in reaching such decisions be carefully documented. In the event that a Buyer decides to award a contract to a vendor whose price is not the lowest, the Buyer shall:

1. Make a spread sheet listing all objective elements of the decision.
2. Write a brief explanation of those factors that lead to the decision to award to other than the low bidder.
3. Have both the spread sheet and the explanation reviewed and approved by the Purchasing Manager or the Supervisor of Finance prior to placement of the order.

If the products offered by each of the bidding vendors were of equal quality, if each vendor promised the same delivery date and if there were no other considerations, the order would go to the low bidder. However, all these factors

are seldom equal and many orders are, therefore, placed with other than the low bidder for good reasons. No set formula can be devised that can be applied to all products, for all orders. The quality and delivery requirements will vary for different products and for different uses. The delivery requirements may vary for different orders as well. For these reasons, the act of selecting the bid, which best suits, the need of the company is one that requires judgment and experience.

B. Weighing the Importance of Delivery, Quality and Price

In many cases the relative importance of delivery, quality and price have already been established and documented on a prior order. In such cases the available information should be reviewed to establish that it is still current and relevant to the procurement at hand.

If the information is current and relevant, use it as a basis for award.

If the information is not current but relevant, then update the information and use it as a basis for award.

If the information is not relevant to the procurement, then perform a weighted-point evaluation:

1. Establish a point-count range for each factor that is important to the procurement, such as adherence to delivery schedule, action on delays, facilities to accomplish, financial strength, quality of work, cost breakdown etc.

C. Other considerations

Other important factors may affect the decision as to which bidder will receive the order. Some of the more common factors are:

1. The Division wishes to maintain alternative sources of supply. In these cases, the alternative vendor will usually be the second "best" determined by the method of evaluating bids. The use of alternative sources for this purpose and the volume of purchase to be procured from each vendor involved should be reviewed.
2. When purchasing from a new vendor, the Buyer may be reluctant to rely entirely on an untried supplier. The Buyer may, therefore, split the order between the new vendor and a vendor previously used to assure

that at least the minimum quantity required is available if the new vendor cannot deliver acceptable goods.

3. Special consideration may be given to local vendors to maintain community goodwill. Again, their delivery schedule, quality and price should be comparable to the "best" vendor.

PROCEDURE NO.: PP-070

Title: BIDS AND QUOTATIONS - PROCESSING

I PROCEDURE

To establish a procedure to be used by Buyers when requesting quotations, when bids or quotations are required.

II RESPONSIBILITY

Price quotes will be administered by the Purchasing Department based on information submitted by the requisitioner.

Competitive bidding is employed to ensure responsive, reasonable, and firm proposals. Generally three (3) or more qualified suppliers will be solicited. Exceptions are made only in unique situations where such a bidding process would result in no apparent benefit to the Division.

The following outlines the procedure for securing verbal or written quotations prior to the selection of a source:

- A. In accordance with Division's purchasing procedures, requests for quotation will not be solicited from prospective suppliers unless it is intended that an order shall be placed with the vendor if that vendor is responsive and responsible.
 - 1. To the furthest extent possible, investigations or informal surveys will be made prior to solicitations of quotations to determine if prospective suppliers have a satisfactory performance experience and the required resources.
 - 2. Quotations are solicited only after a decision is made to procure items or, in special cases, when solicitation of quotations is authorized prior to decision if such action best serves the interests of the Division (i.e., special project).
 - 3. The solicitation of quotations in connection with new business ventures

or in any other circumstance where a firm requirement does not exist, the Buyer shall make clear to prospective suppliers the intent of the request.

- B. Supplier quotations must be in response to a request from Purchasing; unsolicited bids will not be considered.
- C. Where a supplier is given the opportunity to re-bid, all competing suppliers must also be given an equitable opportunity to re-bid. Those conditions in which it is in the Division's best interest to allow re-bidding include, but are not limited to, changes in requirements or changes in the state of the art.
- D. It is imperative that the supplier knows that:
 - 1. Pre-contract discussions and agreements are preliminary.
 - 2. Any agreements reached are tentative.
 - 3. The Division assumes no contract obligation to the supplier until a formal purchase order or letter of agreement is executed, or authorization to proceed is given by the Buyer.
 - 4. The Division is not under any obligation to procure the items for which the negotiations are conducted, and any cost incurred by the supplier prior to the placing of the order is at the supplier's expense unless otherwise agreed to in advance by the Buyer and the supplier.

The Request for Quotation form will be used wherever possible. Utilization of this method will provide vital necessary documentation and efficient communication pertinent to competitive transactions.

The quote number will be cross-referenced to the final purchase order number. All communications or correspondence relative to each project must reference the quotation number.

A quote file will be maintained in the Purchasing Department. The quote file will include: the original RFQ, RFP, RFT, RFI or RTQ, spreadsheet, copy of the purchase order awarded, or contract if applicable, and all pertinent correspondence relating to the file. This file will be kept for a minimum of three years.

PROCEDURE NO.: PP-080

Title: STANDING PURCHASE ORDERS

I PROCEDURE

To establish a procedure for defining when and how to use Standing purchase orders.

II WHEN/WHEN NOT TO USE STANDING PURCHASE ORDERS

Standing purchase orders are to be used when the Division will:

1. Purchase repetitive, specified services or items, or categories of items from the same vendor over the minimum period of one (1) year.
2. Order standard materials or maintenance supplies which require numerous shipments.
3. Enable the Buyer to obtain more favourable pricing through volume commitments.

Standing purchase orders generally should not be used when:

1. No benefit will derive over and above a regular purchase order.
2. Prices are unknown at ordering time, or subject to change later without notice. There are certain exceptions when small item purchase are being made locally (eg. food for home economics labs).

III HOW TO USE A STANDING PURCHASE ORDER

A Standing purchase order is prepared using the formal purchase order form, and shall include the following information:

1. The period to be covered (not to exceed one (1) year);
2. A cancellation clause;
3. Items and/or categories of items included;
4. Maximum quantities, if any;
5. Prices and pricing arrangements;
6. Terms and billing arrangements.

IV APPROVALS

Refer to Policy DJ. If in doubt about the application of a Standing Purchase Order please consult with the Purchasing Manager or the Supervisor of Finance.

V PRICING

Price, F.O.B. terms and quantity are customarily established before issuance of the Standing purchase order. Specified quantities result in a contract for that quantity. Occasionally, where an order is intended to cover any item handled by the supplier, neither commodity, price, or quantity is covered. Instead of the exact price, the manner or method of computing price should be agreed upon at the time the Standing purchase order is set up. When quantities are not specified, the Standing purchase order is usually not a legally binding contract for a specific amount, unless legal requirements are met by inserting one of the following types of clauses:

1. "Total requirements estimated at _____ (Dollars, pcs, tons, or pounds)."
2. "Approximately _____% of our requirements."
3. "Total quantity not to exceed _____ (Dollars, pcs, tons, or pounds)."

VI ANNUAL REVIEW

Each year during year end, the Purchasing Manager and appropriate Buyer will review all Standing purchase orders and re-issue all Standing Purchase Orders effective for the new year. A list of all effective Standing purchase orders will be maintained.

PROCEDURE NO.: PP-090

Title: CHANGE ORDERS

I PROCEDURE

To establish a standard procedure applying to change orders.

II OUTLINE OF STEPS

All change orders will be in writing.

The following procedure will be followed:

- U. All change orders should appear on RVSD No. 41 letterhead with the words "Change Order" written at the top.
- V. The original purchase order number shall be cited and the change orders shall be numbered sequentially.
- W. The initiator of the change signature must appear on the change order.
- X. A complete description of the change must be written in the body.
- Y. A written confirmation shall be sent to the vendor, by fax, e-mail or mail.
- Z. The buyer's signature must appear on the change order.
- AA. A copy of the change order will be attached to the original purchase order.
- BB. In the case of minor pricing changes of less than \$100.00 the buyer's handwritten approval, dated on the front of the order is acceptable.
- CC. Copies of all change orders must go to the department head or principal responsible for the original expenditure.
- DD. A copy of the change order must be sent to accounts payable.

PROCEDURE NO.: PP-100

Title: FREIGHT/COURIER COSTS

I PROCEDURE

To establish a procedure for determining all freight and courier charges.

II DETERMINING THE CHARGE

Buyers are to negotiate freight and or courier costs as with any other commodity or service. Considerable savings can be had from negotiating freight rates or using PPG piggyback opportunities.

If a reasonable cost for this service is offered by the vendor it may be advantageous to have them look after the shipping.

Undetermined freight costs are to be charged against the account code from which the material was purchased.

PROCEDURE NO.: PP-110

Title: REQUISITION COMPLETION PROCEDURES

I PROCEDURE

To establish a procedure for the provision of detailed instruction for completing purchase requisitions as it applies to all purchases.

II INSTRUCTIONS FOR COMPLETING REQUISITIONS - OUTLINE OF STEPS

The following detailed procedures are to be followed when implementing a request for the purchase of materials, supplies, services, etc.:

1. The approved purchase requisition form is to be forwarded to the Purchasing Department.
2. The purchase requisition is designed to contain all of the necessary information and signatures relevant to the processing of the procurement with the Division. The completion of the purchase requisition by the Buyer also serves to create the formal purchase order which is the contractual commitment between the supplier and the Division.

REQUISITION FOR EQUIPMENT & SUPPLIES

Explanation of Form

Supplier

Name and address of vendor to be entered by purchasing Department. This is normally left blank, however a suggested vendor may be written in to assist the Purchasing Department.

Address

The complete address of the vendor, including postal code.

Vendor #

The number assigned by RVSD No. 41 to track purchasing and payable records.

Contact

The representative of the supplier who took the order.

Phone

The phone number of the representative of the supplier who took the order.

Fax:

The fax number of the supplier.

Tag

School, Department or Individual goods are to be delivered to must be inserted on this line.

Ship To

Specific location to which shipment is to be delivered, to be determined by the Purchasing Department.

Address

The ship to address.

Contact

Name of the individual submitting the requisition.

Phone

Phone number of the requisitioner.

F.O.B.

The point where RVSD No. 41 assumes ownership.

Via

Transportation or freight carrier to be determined by the Purchasing Department.

Deliver or Date Required

Specific date requested items are needed. To be written on the request if important. Avoid the use of the term ASAP (as soon as possible). Always estimate or project a specific preferred date the material is to be delivered. This consideration will assist the Buyer to determine priorities regarding delivery requirements. Always allocate as much lead-time as practical by determining your needs as far as possible in advance. This allows the Buyer adequate time to receive competitive bids and to purchase in the best and most efficient manner for the Division.

Denote "Emergency" or "Rush" in the requisition delivery date block only when relevant and needs the required prompt action or priority of purchase.

The requisition originator is responsible for scheduling materials in sufficient time to allow Purchasing to transact and arrange material shipments in the most cost-efficient means possible. Date to be delivered or date required.

Date

Date the requisition or SSR is first written. This date may not necessarily be the date the Purchasing Department receives it.

Code

Requisitioner will include proper accounting codes to properly distribute costs.

Purchase Order Number

Assigned by Purchasing Department only. A record of all purchase order numbers issued is maintained by the Purchasing Department.

Standing P.O.

Requisition or SSR falls under a Standing Purchase order. Place the Standing purchase order number in the block.

Addending Requisition

The requisition or SSR is addending an earlier Purchase order. Place the number of the Purchase Order in this block.

Confirmation Only

The requisition was sent in earlier by fax or by phone and this is the original confirming the earlier order.

Other

Other instruments used to procure goods or services such as a contract. Note the instrument.

Authorized Signature

Signature of individual authorized to approve expenditure of funds as per Policy DJ.

Purchasing Approval

Individual authorized to act as an agent of RVSD No. 41 with specific authorization limits outlined in Policy DJ.

Page

The page number from the catalogue used by the requisitioner. Or the page of the inventory catalogue used to identify RVSD No. 41 inventory items.

Catalogue

The Division assigned inventory account number, if applicable to the warehouse. If a vendors catalogue number is used reference must be given to the catalogue year and any seasonal date and the name of the vendor.

QTY.

Specific Quantity to purchased and delivered

Full Description

Specific description of items ordered includes model numbers, part numbers, amps, voltage, hp, brand, size, catalogue reference, colour, equivalent substitute data, dimensions etc. Do not generalize! Use specific descriptions. If equivalent substitute is allowable, specify (i.e. or equal) after applicable commodity description.

Unit

Unit price; and unit, default will be one.

EXT.

Extended price of unit x quantity.

SUBTOTAL

Total of all goods and services before GST.

G.S.T.

Where possible show the amount of G.S.T. or show G.S.T. included.

Total Billed Price

Actual extended value. Quantity received times invoiced or agreed price.

Requisition/Purchase order Distribution

The originator of the purchase order requisition retains the originator copy for processing.

Requisition for Equipment & Supplies distribution is as follows:

Original (white): Send to Supplier by fax or mail.

Accounts Payable (green): Send to Accounts Payable at time of order.

Expediting Copy (pink): Used by Purchasing for follow-up of delinquent deliveries; kept in file cabinet in Purchasing area for current year + one year.

Requester Confirmation (blue): Send to requester following order placement. The "On Arrival Notify:" block is used to identify individual to receive copy.

School Copy (Golden Rod): Kept by the school to verify receipt of goods.

PROCEDURE NO.: PP-111

Title: SUPPLY / SERVICE REQUEST COMPLETION PROCEDURES

I PROCEDURE

To establish a procedure for the provision of detailed instruction for completing purchase requisitions for supply/service requests as it applies to all purchases.

II INSTRUCTIONS FOR COMPLETING SUPPLY/SERVICE REQUESTS - OUTLINE OF STEPS

The following detailed procedures are to be followed when implementing a SSR for the purchase of materials, supplies, services, etc.:

1. The approved purchase SSR form is to be forwarded to the Purchasing Department.
2. The SSR is designed to contain all of the necessary information and signatures relevant to the processing of the procurement with the Division. The completion of the SSR by the Buyer also serves to create the formal purchase order which is the contractual commitment between the supplier and the Division.

SUPPLY / SERVICE REQUEST

Explanation of Form

Supplier

Complete name of vendor to be entered by purchasing Department. This is normally left blank, however a suggested vendor may be written in to assist the Purchasing Department.

Address

The complete mailing address of the vendor, including postal code.

Vendor #

The number assigned by RVSD No. 41 to track purchasing and payable records.

Contact

The representative of the supplier who took the order.

Phone

The phone number of the representative of the supplier who took the order.

Fax:

The fax number of the supplier.

Tag

School, Department or Individual goods are to be delivered to must be inserted on this line.

Ship To

Specific location to which shipment is to be delivered, to be determined by the Purchasing Department with help of the requisitioner.

Address

The ship to address.

Requisitioner

Name of the individual submitting the requisition.

Phone

Phone number of the requisitioner.

Delivery Instructions

Special delivery instructions required by the requisitioner. For example; Deliver on a certain date at a specified time by a certain method.

Date

Date the requisition or SSR is first written. This date may not necessarily be the date the Purchasing Department receives it.

Account # Location # Work Order #

Requisitioner will include proper accounting codes to properly distribute costs.

Purchase Order Number

Assigned by Purchasing Department only. A record of all purchase order numbers issued is maintained by the Purchasing Department.

Standing P.O.

SSR falls under a Standing Purchase order. Place the Standing purchase order number in the block.

Addending Requisition

The requisition or SSR is addending an earlier Purchase order. Place the number of the Purchase Order in this block.

Confirmation Only

The requisition was sent in earlier by fax or by phone and this is the original confirming the earlier order.

Stock

Goods were used from stock and SSR is to replace stock used. This is not to be kept in inventory but is expensed out when purchased.

Authorized Signature

Signature of individual authorized to approve expenditure of funds as per Policy DJ.

Purchasing Approval

Individual authorized to act as an agent of RVSD No. 41 with specific authorization limits outlined in Policy DJ.

JDN

Job Description Number as assigned by the requisitioner and verified by the Maintenance clerk.

Catalogue

The Division assigned inventory account number, if applicable to the warehouse. If a vendors catalogue number is used reference must be given to the catalogue year and any seasonal date and the name of the vendor.

QTY.

Specific Quantity to purchased and delivered

Full Description

Specific description of items ordered includes model numbers, part numbers, amps, voltage, hp, brand, size, catalogue reference, colour, equivalent substitute data, dimensions etc. Do not generalize! Use specific descriptions. If equivalent substitute is allowable, specify (i.e. or equal) after applicable commodity description.

Unit \$

Unit price; and unit, default will be one or each. Use C for 100, M for 1,000. Other units of measure might be oz., kg., lb., ton, tonne, box, drum, keg, lt., 20 lt., gallon (US or Imperial)., cubic meter as M3, cubic yard as yd3., ft., meter, spool etc.

EXT. \$

Extended price of unit x quantity.

SUBTOTAL

Total of all goods and services before GST.

G.S.T.

Where possible show the amount of G.S.T. or show G.S.T. included.

Total

Actual extended value. Quantity received times invoiced or agreed price.

SSR/Purchase order Distribution

The originator of the SSR retains the originator copy for processing.

Requisition for Equipment & Supplies distribution is as follows:

Original (white): Coordinator.

Accounts Payable (green): Send to Accounts Payable at time of order.

Expediting Copy (pink): Used by Purchasing for follow-up of delinquent deliveries; kept in file cabinet in Purchasing area for current year + one year.

Requester Confirmation (blue): Send to requester following order placement. The "On Arrival Notify:" block is used to identify individual to receive copy.

PROCEDURE NO.: PP-120

Title: REQUISITION - PROCESSING PRIORITIES

I PROCEDURE

To establish a procedure outlining guidelines for timely processing of purchase requisitions, as it applies to all purchases.

II OUTLINE OF STEPS

It is vital to a smooth functioning organization that purchase orders be processed in a timely fashion. The following guidelines have been established to aid Buyers in establishing priorities:

1. Rush orders: immediate
2. Supply and equipment orders: process within two (2) days
3. Inventory orders: process Mondays and Fridays for delivery the following week, the delivery schedule allows order picks twice per week.

All delays that significantly exceed these processing guidelines should be reviewed with the Supervisor of Finance.

PROCEDURE NO.: PP-130

Title: PURCHASE ORDER CANCELLATION

I PROCEDURE

To establish a procedure that applies to all purchase order cancellations.

II OUTLINE OF PROCEDURE

Cancellation of all orders shall be in writing.

In the event that a vendor has begun production of a custom-made part or product the Division shall accept costs incurred by the vendor as a result of this cancellation. These costs might include payment for all custom-made parts or products already completed prior to cancellation or restocking charges incurred for returnable goods.

A copy of the cancellation order is to be forwarded to Account Payable and to the Requisitioner, so commitments can be removed from the system.

Refer to the original purchase order by date and number.

Request the supplier's acknowledgment

PROCEDURE NO.: PP-140

Title: PURCHASE ORDER - CONTROL

I PROCEDURE

To establish a procedure to control the issuance of purchase orders, applying to all purchases.

II CONTROL OF PURCHASE ORDERS NUMBERS

- A. Purchase order numbers are issued in numerical sequence by the purchasing software.
- B. A proof list for all SSR's, Requisitions and Purchase Orders will be printed before posting. The purchasing department maintains proof lists.

“VALIDITY OF PROCEDURE TO BE DISCUSSED”

PROCEDURE NO.: PP-150

Title: PURCHASE ORDER - TERMS AND CONDITIONS

I PROCEDURE

To establish a procedure that provides for basic terms and conditions for the purchase of all goods and services.

II RESPONSIBILITY

The Purchasing Manager is responsible for this procedure and ensures that it is reviewed annually or when deemed appropriate by legal counsel.

III PROCEDURE

The terms and conditions (aka; Boiler Plate) will be sent; when a new vendor is first being used or when there is a change in the wording of the terms and conditions. The hard copy of the terms and conditions will be kept on file in Purchasing and be available to any vendor wishing a copy.

TERMS AND CONDITIONS

1. The purchase order number must appear on all invoices, packing slips and correspondence.
2. Each order must be invoiced and packaged separately.
3. We reserve the right to cancel all or any part of any order, if not shipped when requested.
4. Orders must not be filled at higher prices than quoted without prior approval.
5. Time consumed returning invoices for correction will constitute an extension of the discount period.
6. All material will be subject to our inspection and approval. If rejected, same will be held subject to your instructions at your risk and returned at your expense.

7. No charges will be allowed for packing or crating unless agreed and covered as a separate item.
8. On all shipments use the routing specified, otherwise any extra expense will be charged to the Supplier. If routing is not specified ship via least costly route.
9. All shipments must be clearly marked with the purchase order number on the outside of all packages.
10. The amount of the G.S.T. and / or duty must be shown as a separate item on the invoice.
11. The Supplier acknowledges and agrees the Buyer is relying on the Supplier's judgment and opinion that the goods supplied will be capable of performing the function for which they are being supplied.
12. Purchase orders, when accepted by the Supplier, shall constitute the entire agreement with reference to its subject matter and shall not be altered, amended, supplemented or cancelled without the Buyer's approval. Either the Supplier's written acceptance of this order or shipment of any article or commencement of performance of work hereunder shall constitute acceptance of the agreement. No contrary or additional terms or conditions shall apply notwithstanding any oral or written statement made by the Supplier.
13. Resolution of disputes will be attempted through: 1) negotiation 2) arbitration 3) court of law, in the City of Calgary, in the Province of Alberta.

PROCEDURE NO.: MC-010

Title: INTRODUCTION - MATERIALS CONTROL

I PROCEDURE

To establish a procedure for rules and guidelines applying Division-wide to the movement, storage, and control of all materials owned by Rocky View School Division No. 41, or for which it has responsibility.

II RESPONSIBILITY

The Purchasing Manager, via the Fixed Assets Coordinator, is responsible for the maintenance of these procedures.

For the assignment and responsibility for materials control, see Procedure MC-020.

IV DEFINITION

Fixed Asset: Any item, furniture or equipment, over the value of greater than \$500.00 that is controlled and inventoried.

PROCEDURE NO.: MC-020

Title: FIXED ASSETS

I PROCEDURE

To establish a procedure assignment material control responsibility and authority, as it applies to Fixed Assets.

II RESPONSIBILITY

It is the responsibility of the Purchasing Manager, via the Fixed Assets Coordinator to maintain the Fixed Assets Inventory.

III OUTLINE OF STEPS

- A. A complete inventory of all fixed assets must be kept on a current basis to ensure furniture and equipment are accurately recorded.
- B. Movement of fixed assets will be monitored by the Fixed Assets Coordinator.
- C. Purchase order copies for fixed assets will be sent to Fixed Assets Coordinator by the purchasing department.
- D. Invoice copies for fixed assets will be sent to the Fixed Assets Coordinator by Accounts Payable.
- E. List of goods disposed of by the Board will be maintained by the Fixed Assets Coordinator.
- F. List of fixed assets declared surplus by schools or departments will be sent to the Fixed Assets Coordinator.
- G. List of fixed assets transferred between schools will be forwarded to the Fixed Assets Coordinator. (form P002/97)
- H. The Fixed Assets Coordinator will use the above input to keep the Inventory current.

PROCEDURE NO.: MC-030

Title: SALE OF FIXED ASSETS AND OTHER MATERIAL

I PROCEDURE

Establishment of the procedure for the disposal of Fixed Assets and other surplus material applying to all material which has been declared surplus by the used using form ___ because it is broken/irreparable/obsolete/replaced, or note needed by another user.

II RESPONSIBILITY

The Supervisor of Finance, via the Fixed Assets Clerk, is responsible for implementation of this procedure.

III RELATED PROCEDURE

For real property and buildings: School Act; Part 7 Property; Division 1 General; Section 187 Disposition of Property.
Other assets as per Board Policy DN - Authorization from the Board for disposition of Fixed Assets is required.

IV DISPOSITION OF USED/SURPLUS/SCRAP MATERIAL

Items returned to the Division from construction, such as old doors, light fixtures etc will be evaluated prior to disposal. Consultation among the appropriate department supervisors will determine the appropriate method of disposal upon approval of the Secretary-Treasurer.

Material can be disposed of via the following methods:

1. Tender
2. Auction;
3. Sold on site at predetermined prices;
4. Donated or sold to a non profit agency;
5. Re-worked to salvage components or sold to salvage firms;

6. Destruction;
7. Used for non-production purposes.

PROCEDURE NO.: WP-010

Title: INTRODUCTION - WAREHOUSE PROCEDURES

I PROCEDURE

To establish uniform procedures for the receiving, stocking, and shipping of all material in the Division's warehouse.

II RESPONSIBILITY

The Warehouseman is responsible for:

1. The receipt, control and shipment of all materials coming through the warehouse;
2. The gathering and distribution of all records, forms and reports pertaining to the movement and control of inventory.

PROCEDURE NO.: WP-020

Title: WAREHOUSE INVENTORY CONTROL PROCEDURES

I PROCEDURE

To establish a procedure that provides for the continuing audit and review of the inventory and procedures used to assure an accurate statement of their contents, as it applies to all controlled inventory.

II RESPONSIBILITY

The warehouseman is responsible for maintaining this procedure.

III OUTLINE OF STEPS

A. RECEIVING

Goods received under procedure WP-011 for inventory are placed in the appropriate warehouse location and entered into the Stores System immediately, using the purchase order price less 3% for the GST rebate if no invoice is available. When the invoice is received it is checked against the entry. If there are any discrepancies they are checked with the buyer.

B. ORDERS

Orders that are received for inventoried items on requisitions, or form P004/98 by the Supervisor of Caretaking. The orders are entered into the Stores System and shipping reports are printed in duplicate. Goods are picked and placed on the appropriate pallet for shipment to the schools. Goods for the Education Support Centre are delivered to the appropriate person, EXCEPT for goods that require Transportation and Handling of Dangerous Goods (THDG) documentation which are set in the THDG area. Backordered goods are checked to ensure that the goods are on order; otherwise a requisition is issued to re-order, and a duplicate of the shipping report is filed in the backorder file.

C. ANNUAL

An annual physical count shall be conducted on a date to be negotiated with the Supervisor of Finance and the auditors near the fiscal year end. Spot counts should be conducted on an irregular basis by the warehouseman and compared to the Stores System. The monthly print out should be checked for discrepancies and compared to the computer total.

purch\procedur\wp020
94 04 08

PROCEDURE NO: WP-011

Title: RECEIVING

I PROCEDURE

To establish a uniform procedure for the receiving of all materials in the Rocky View School Division No. 41 warehouse.

II OUTLINE OF STEPS

1. The person receiving the goods shall check the parcels against the waybill of the shipper to ensure that the correct number of units have been received. If there are discrepancies or damage, they are to be noted on the waybill before it is signed. Discrepancies and damage are reported to:
 - i. The trucking company; or
 - ii. The buyer responsible for the order.
2. The packing slip is enclosed in the package; the school name is written on the outside of the package along with the purchase order number or other identification number(s). The information on the package is recorded on the waybill under the school name, indicating PO number, number of pieces and supplier. The package is then placed on the appropriate pallet for that school. If the package is for Maintenance or the Education Support Centre, it is delivered to the area requiring the goods.
3. If invoices are included with the shipment, they are forwarded to Accounts Payable.
4. Goods for Maintenance are placed in the maintenance holding area.
5. Repaired equipment being returned from the supplier shall be recorded on the appropriate equipment repair sheet to be returned to the school and the bottom part of the repair tag given to the Fixed Asset Coordinator to record.
6. Equipment repairs received from the schools are placed in the Equipment to be Repaired area. The schools must properly fill in the Repair tag before pickup.

purch\procedur\wp011

94 03 04

02/08/2007

PROCEDURE NO: WP-012

Title: SHIPPING

I PROCEDURE

To establish a uniform procedure for the shipping of all material from the Rocky View School Division No. 41 warehouse.

II OUTLINE OF STEPS

1. Goods for the schools received under Procedure WP-011 or WP-040, repairs or WP-020 for inventory, shall be shipped to the schools via the weekly truck delivery system.
2. The delivery person shall have school personnel initial beside each line on the waybill and/or repaired equipment sheet.
3. A qualified person must sign any applicable THDG sheets. The sheets are filed in the appropriate binders in the warehouse at the end of each trip. This THDG file must be kept for 2 years.

purch\procedur\wp012
94 03 04

purch\procedur\finalcpy
February 8, 2007