

Halifax Regional School Board Purchasing Annual Report – 2016/2017

Purpose

To provide the Board with an annual report with respect to the implementation of and compliance with the Purchasing Policy.

Background

The mandate of the Purchasing Division is to ensure that goods and services are purchased in an open, fair, consistent, efficient and competitive manner, by providing staff with information and tools to implement best practices in purchasing.

The Board's Purchasing Policy requires that the Purchasing Division provide an annual report to the Board "*on the implementation of the policy, purchasing activities and any recommendations for improving the purchasing policy and procedures.*"

Content

The attached report covers the period **April 1, 2016 to March 31, 2017**. Annual reporting under this policy covers the fiscal year and will be presented to the Board each year.

As required, the report provides an overview of compliance with the policy, and major purchasing activities during the course of the 2016/2017 fiscal year.

Funding Details

N/A

Timeline

N/A

Appendices

Purchasing Annual Report – 2016/2017

Recommendations

It is recommended that the Governing Board receive the Purchasing Annual Report – 2016/2017 for information.

Communications

AUDIENCE	RESPONSIBLE	TIMELINE
Audit Committee	Director, Financial Services	September 20, 2017
Governing Board	Chair, Audit Committee	September 27, 2017

Contact

For further information please contact Terri Thompson, Director of Financial Services at 464-2000, ext. 2241, or email at tthompson@hrsbc.ca, or Kathryn Burlton, Manager of Accounting and Purchasing, at 464-2000 ext 2843 or via e-mail kburlton@hrsbc.ca.

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Background

Section 15 of the Purchasing Policy states that:

“The Superintendent will submit an annual report to the Board on the implementation of this policy, purchasing activities and any recommendations for improving the purchasing policy and procedures.”

Implementation of the Policy

The Purchasing Division monitors all purchasing activities for compliance with the Purchasing Policy. The Purchasing Division reviews all requisitions for the purchasing thresholds to ensure compliance with the policy and ensures an open, transparent and competitive process is undertaken consistent with public tendering guidelines. There were no instances observed where policy provisions were not followed by schools and board offices in 2016/2017.

Purchasing Activities

The Halifax Regional School Board purchases approximately \$94 million in goods and services annually. The Purchasing Division issued 52 tenders/RFP's and 2,920 purchase orders from April 2016 to March 2017. The Purchasing Division will continue regular communication with schools and departments to ensure compliance with the policy. The Purchasing Division will continue its ongoing cooperation and networking with other school boards, public groups, government departments and agencies to leverage combined expertise in promoting and maximizing purchasing best practices and to ensure accountability for public funds.

Section 14 of the Policy requires all tenders, requests for proposals (RFP), and contracts with a value of \$500,000 or more to be approved by the Board. The following contracts with a total contract value over \$500,000 were approved by the Board in 2016/2017:

Contract Name	Vendor	Contract value	Date Approved by Board
After Hours Security & Maintenance Service	Channel Technologies Ltd.	\$683,940	30/11/2016
Bicentennial School Windows Upgrade	Schooner General Contracting	\$575,576	22/02/2017
Harrietsfield Roof Replacement	Five Star Roofing	\$652,902	22/02/2017
Inglis Street Elementary Energy Upgrade	MCW	\$515,904	30/11/2016

Section 7 of the Policy permits alternative purchasing (sole sourcing) under certain circumstances. In 2016/2017, the following purchases were of values that should normally have been undertaken with tenders or RFP's. However, alternative or sole sourcing is permissible under circumstances outlined in the Policy and these purchases met the criteria and were approved for sole sourcing.

Item/Project	Vendor	Value	Reason for Sole Source
Stone façade repairs	Coastal Restoration	\$58,238	Emergency
Annual preventive maintenance - BAS equipment	Advanced Energy Management	\$36,000	Compatibility
Wood pellets	Shaw Resources	\$17,949.96	Sole source
Disk Shelf (IT Equipment)	Enterprise Management Systems	\$49,802.34	Compatibility
Materials	Pearson Canada Assessment	\$18,676.40	Sole source
Books	Nelson Education Ltd.	\$58,985.71	Sole source
Books	Cheneliere Education	\$14,248.05	Sole source
ION Meter Support Subscription	Schneider Electric Inc.	\$11,404	Sole source
Disk Shelf (IT Equipment)	Enterprise Management Systems	\$41,814.90	Compatibility
Vertical Portable Lift	Lawton's Home Health Care	\$13,500	Sole source
Books	Curriculum Plus Publishing	\$18,016.51	Sole source
Books	TC Media Livres Inc.	\$30,352.39	Sole source
Books	TC Media Livres Inc.	\$22,346.84	Sole source
Books	Nelson Education Ltd.	\$18,339.50	Sole source

Recommendations

Recommendations for revisions to the Purchasing Policy will be coming forward through the Policy Development and Review Committee. Some changes will address required updates to signing authorities as a result of changes to the SAP system; additional requirements for approvals to change orders; more detailed explanations regarding requirements related to Standing Offers; and a new section outlining Canada Revenue Agency regulatory requirements when purchasing Services Provided by Non-Canadian vendors.