

REGULATION #4600.4 OBTAINING VENDOR PRICING

1. OBJECTIVES

- 1.1 Vendor pricing is to be obtained in a manner which is consistent with the Surrey Board of Education’s Principles of Purchasing enunciated in [Policy #4600 – Purchasing Goods & Services](#) by simultaneously achieving an appropriate balance between four objectives:
- Servicing operational requirements.
 - Obtaining maximum value from expenditures.
 - Processing purchase transactions in an efficient and cost effective manner.
 - Providing vendors reasonable opportunities to seek business.
- 1.2 Balance between these objectives is realized primarily, but not exclusively, by varying the extent and formality of price acquisition activity based on the estimated order value.

2. ORDER VALUE CRITERIA FOR PRICING ACTIVITY

- 2.1 The extent and formality of price acquisition activity is based on values as follows:

GOODS AND SERVICES:

<u>Estimated Value Taken</u>	<u>Minimum Action to be Taken</u>
a. Imprest and Procurement Card Size Transactions per Regulation #4420.1 , Section 3 and Regulation #4660.1	At discretion of the responsible Account Coordinator.
b. Less than \$50,000	At discretion of Manager or Assistant Manager, Purchasing or as delegated to a Buyer.
c. \$50,000 to \$75,000	Minimum of three (3) written quotations from vendors.
d. Over \$75,000	Tender Call or Requests for Proposals to be posted on BC Bid which provides open access to all interested vendors.

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CONSTRUCTION:

a. Less than \$100,000	At discretion of the Manager, Purchasing
b. \$100,000 to \$200,000	Minimum of three (3) written quotes from vendors.
c. Over \$200,000	Tender Call or Requests for Proposals to be posted on BC Bid which provides open access to all interested vendors.

Under the New West Partnership Trade Agreement (NWPTA), construction is defined as: A construction, reconstruction, demolition, repair or renovation of a building, structure or other civil engineering or architectural work and includes site preparation, excavation, drilling, seismic investigation, the supply of products and materials, the supply of equipment and machinery if they are included in and incidental to the construction, and the installation and repair of fixtures of a building, structure or other civil engineering or architectural work, but does not include professional consulting services related to the construction contract unless they are included in the procurement.

- 2.2 The foregoing are stated as minimum actions to be taken and do not prohibit more extensive price acquisition activity.

3. VARIATIONS TO PRICING ACTIVITY

- 3.1 When pricing has been established by another government body or purchasing consortium by competitive processes, the Purchasing Department may apply the resulting prices to school district purchases.
- 3.2 When it is known that there are fewer than the minimum number of vendors described in section 2.1 who could reasonably be expected to satisfy the need, the number of quotations may be reduced by the Manager, Purchasing.
- 3.3 In the case of a sole source of supply, the assistant secretary-treasurer may authorize a negotiated purchase from the one vendor source after it has been documented that there is no reasonable, competitive alternative source of supply.

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- 3.4 To facilitate pilot projects, negotiated pricing may be authorized by the assistant secretary-treasurer.
- 3.5 Where a purchase is funded by a Parent Advisory Council and they have made their own selection of product that meets the district's standards and terms of business, the purchase may proceed. If the selection is non-standard products, approval process will be required. Parent Advisory Councils are encouraged to contact the Purchasing Department when contemplating the purchase of equipment, supplies or services in order to gain the benefit of district experience and economies of scale in purchasing and to minimize the PAC's efforts required to accomplish the purchase.

4. EXCEPTIONS TO PRICING ACTIVITY PARAMETERS

- 4.1 When the order value criteria for pricing activity does not achieve an appropriate balance between the objectives described in section 1.1, the assistant secretary-treasurer or designate may authorize appropriate actions, in writing (i.e. Sole Source Form), to suspend normal pricing activity in a specific circumstance in favour of alternative measures to realize the primary objectives. This procedure is not considered to be a preferred practice although necessary in specific circumstances.

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