



**MOOSONEE DISTRICT
SCHOOL AREA BOARD**

ADMINISTRATIVE PROCEDURE BUSINESS ADMINISTRATION: NO. 515	
Effective	May 24, 2016
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PURCHASING ETHICS AND PROCEDURES

PURPOSE

The Moosonee District School Area Board encourages effective procurement practices in order to obtain maximum value for each dollar spent, consistent with the educational goals of the Board and fair business principles.

This administrative procedure has been developed to ensure ethical, cost-effective practices, and to promote the purchase of quality materials, supplies, and services consistent with the needs and goals of the Board.

APPLICATION

This administrative procedure applies to the responsibilities of the finance and human resources administrator for Board purchasing, and for ensuring that recognized purchasing procedures are adopted and practiced.

PROCEDURES

1. Guiding Principles: Code of Ethics

1.1 Staff members of Moosonee District School Area Board who are in a position of responsibility to purchase goods and services will ensure that they conduct themselves in accordance with the Ontario Broader Public Sector Supply Chain Code of Ethics, as follows:

1.1.1 *Personal Integrity and Professionalism:*

a) All individuals involved with purchasing or other supply chain related activities must act, and be seen to act, with integrity and professionalism. Honesty, care, and due diligence must be integral to all supply chain activities within and between broader public sector organizations, suppliers, and other stakeholders.

b) Respect must be demonstrated for each other and for the environment. Confidential information must be safeguarded. Participants must not engage in any activity that may create or appear to create a conflict of interest, such as accepting gifts or favours, providing preferential treatment, or publicly endorsing suppliers or products.

1.1.2 *Accountability and Transparency:*

- a) Supply chain activities must be open and accountable. In particular, contracting and purchasing activities must be fair, transparent, and conducted with a view to obtaining the best value for public money.
- b) All participants must ensure that public sector resources are used in a responsible, efficient, and effective manner.

1.1.3 *Compliance:*

All individuals involved in purchasing or other supply chain related activities must comply with this code of ethics and the laws of Canada and Ontario.

2. Board Expectations

2.1 It is the responsibility of the finance and human resources administrator to ensure that any staff members involved in purchasing on behalf of the Board are properly informed with respect to current Board policies and purchasing procedures, and to ensure that they adhere to them.

2.2 *The purchasing function must be performed with:*

- a) open competitive bidding on the acquisition of all goods and services;
- b) a high level of service to the school and Board departments;
- c) the purchase of goods and services which take into account environmental, health, and safety factors such as accessibility for persons with disabilities; and
- d) the required quality of products and services through purchase, lease, or rental at the lowest total cost from the most responsive and responsible vendor.

2.3 Purchases of goods and services will not knowingly be made from manufacturers who operate in contravention of local and international labour laws and standards.

2.4 The lowest or any submission shall not necessarily be accepted.

2.5 Fundraising by the school or Board, or by individuals and groups under the umbrella of the Board, will operate in accordance with proper purchasing and cash handling procedures and within approved budgets.

2.6 The Board encourages cooperative purchasing with other boards and broader public sector agencies when it is in the Board's best interest to do so. The procedures and policies of the agency calling the tender, proposal, or quotation will be followed.

3. Conflict of Interest

3.1 As set out in Board Policy GOV-16 Conflict of Interest: Trustees and Staff, the trustees, senior and school administrators, and staff members of Moosonee District School Area Board shall not have a pecuniary interest, either directly or indirectly, in any contract with the Board or with any person acting for the Board in any contract for the supply of goods and/or services for which the Board pays or is liable, directly or indirectly.

3.2 Any potential conflict of interest by the trustees shall be declared as noted in Board Policy GOV-16. Any potential conflict of interest by a staff member shall be declared in writing to his or her

direct supervisor, with a copy to the secretary- treasurer and business administrator, who will confirm whether or not a conflict of interest exists.

3.3 Where a conflict of interest arises, it must be evaluated and an appropriate mitigating action must be taken.

3.4 All Board staff must adhere to section 217 of the Education Act regarding the promotion or sale of goods and services to the Board or a student.

4. Exclusive Property

4.1 Purchases will not be made for the personal use of trustees or staff members.

4.2 All equipment and supplies purchased through the Board approved budget, and school generated funds or donations remain the exclusive property of the Board.

5. Authorization

5.1 The finance and human resource administrator and the principal of the school have the authority to approve the purchase of goods and services on behalf of the Board. The Board will delegate prior approval authorization and spending limitations to the finance and human resource administrator and principal.

5.2 No persons, regardless of their level of authorization, may approve payments to themselves on the basis of their signature alone. Cheque requisitions, travel expense claim forms, etc. will be approved by the claimant's supervisor or by the secretary-treasurer and business administrator according to the terms of Board Policy GOV-23 Travel Allowance: Trustees and Staff.

6. Consulting Services

Consulting services are the provision of expertise or strategic advice that is presented for consideration and decision-making to the Board by a business entity or a person that is under a service agreement and is not employed by the Board.

7. Exceptions: Emergency Purchases

7.1 It is expected that all purchases will be made using the appropriate purchasing procedures. However, staff members responsible for Board facilities have delegated authority, under the authority of the director or education or finance and human resource administrator, to purchase goods and/or services during emergency maintenance situations.

7.2 Emergency maintenance goods and services purchased must be reported to the director of education or the finance and human resource administrator as soon as possible after the situation has been resolved. The finance and human resource administrator will ensure the information is entered into the accounting system for audit purposes and to authorize payment of invoices.

8. Procedures: Equipment and Supplies

8.1 *Requisitions:*

a) Requisitions for supplies and equipment must be approved in the Board's annual budget.

b) Requisitions shall include a description of the goods, quantity, model number, cost, and any other pertinent information.

8.2 *Approval of Requisitions:*

- a) The school principal must approve all requisitions from members of the teaching staff and the school office.
- b) The finance and human resource administrator of the Board must approve all requisitions from all other non-teaching members of the staff.

8.3 *Purchase Orders:*

The purchase orders will originate with the finance and human resource administrator and must clearly indicate the conditions under which the Board is purchasing the equipment and supplies.

8.4 *Distribution of Purchase Orders:*

Purchase orders are prepared on a three-part form. When they have been processed and signed by the finance and human resource administrator, they are distributed as follows:

- The original is mailed to the supplier.
- The second copy is sent to the school office for requisitions issued by the teaching staff, or is retained in the Board office for requisitions issued by the non-teaching staff.
- The third copy is retained in a purchasing file.

8.5 *Purchasing without Prior Authorization*

Requests for reimbursement of supplies purchased without prior authorization will be refused payment, except for an emergency maintenance situation as noted in Section 7 above.

9. Budget Estimates

9.1 The principal will submit a list of requirements for school supplies and equipment (academic) to be included in the annual budget.

9.2 The finance and human resource administrator will submit a list of all other school and/or Board requirements to be included in the annual budget.

9.3 Budget estimate lists are kept in the Board office once the budget is approved and the purchase of supplies and equipment begins. Each requisition for capital equipment is checked against the budget estimate to determine if the purchase of that item has been approved, and if sufficient funds are allocated for the expenditure.

10. Budget Control

10.1 Budget control is the responsibility of the finance and human resource administrator. Requisitions received after the Board allowance has been expended will be refused.

10.2 The only exception will be in the case of a proven emergency situation.

10.3 During the fiscal year, budget to actual variance reports and financial projections shall be provided to the Board on a regular basis. The Board Audit Committee shall oversee the annual

external audit of the use of Board funds. [See Administrative Procedure 505 Financial Integrity for more details.]

11. Bulk Orders

11.1 Requisitions for school bulk orders for supplies shall be presented to the finance and human resource administrator as follows:

- a) on or before the 15th day of June of each year for supplies needed for the opening of school in September; and
- b) on or before the 31st day of January of each year for supplies needed for the second and third terms.

REFERENCE DOCUMENTS

Legal:

Education Act, section 169.1 Duties and Powers of Boards: Effective Stewardship
Education Act, Section 217: No Promotion or Sale of Books, etc. by Employees
Education Act: Section 286 Duties of Supervisory Officers: Supervise Business Functions
Ontario Regulation 298 Operation of Schools, Section 11 Duties of Principals: Organization and Management of the School
Ontario Broader Public Sector Accountability Act 2010
Broader Public Sector Expenses Directive
Broader Public Sector Perquisites Directive
Supply Chain Management Procedures
Manual Municipal Conflict of Interest Act
Municipal Freedom of Information and Protection of Privacy Act

Board:

Board Policy GOV-01 Philosophy, Goals, and Values
Board Policy GOV-03 Role of the Corporate Board: Fiscal Responsibility
Board Policy GOV-04 Role of the Supervisory Officer: Fiscal Responsibility
Board Policy GOV-10 Environmental Stewardship
Board Policy GOV-16 Conflict of Interest: Trustees and Staff
Administrative Procedure 170 Money in the School: Internal Controls
Administrative Procedure 505 Financial Integrity