

REGULAR MEETING ----- October 13, 2015

Minutes of the Regular Meeting of the Board of Education of the Chinook School Division No. 211 held on Tuesday, October 13, 2015 at 3:00 p.m. in the Chinook Education Centre.

PRESENT: Randy Beler
Larry Caswell
Cassandra Appelgren
Rodney Fairbrother
Elaine Anderson
Tim Weinbender
Tim Ramage
Shauna Wright

Liam Choo-Foo - Director of Education
Kyle McIntyre – Deputy Director of Education
Rod Quintin – Chief Financial Officer
JackieWiebe – Executive Assistant

REGRETS: H.B. (Bernie) Ford
Shane Andrus
Joanne Booth – Communications Coordinator

GUESTS: Bayle Szwetz, Student
Bryden Tremere, Student
Kinae Wallis, Student
Dale Ross - Principal, Shaunavon Public School

The meeting was called to order at 3:00 p.m. by Chair Randy Beler

AGENDA 140/15 Appelgren THAT the Agenda be approved as circulated and revised.

CARRIED

MINUTES 141/15 Appelgren THAT the Minutes of the Regular Meeting of September 14, 2015, be approved, as presented.

CARRIED

CONSENT ITEMS 142/15 Fairbrother THAT the Consent Agenda Items be approved.

CARRIED

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AP 701.1 143/15 Anderson THAT the revised Administrative Policy No.701.1, Tangible Capital Assets, be approved as attached.

CARRIED

AP 706 144/15 Caswell THAT the revised Administrative Policy No. 706, Purchasing, be approved as attached.

CARRIED

TOMPKINS SCHOOL 145/15 Caswell WHEREAS in 2013 the Tompkins SCC provided a recommendation for school closure effective June 20, 2016 if enrollment as of September 30, 2015 fell below 18 students

AND WHEREAS the stipulation of having 18 or more students enrolled at Tompkins September 30, 2015 has been met

THEREFORE BE IT RESOLVED THAT Tompkins School shall continue to operate beyond June 30, 2016 according to the policies and procedures of Chinook.

AND that the stipulations of the agreement between the Tompkins SCC and Chinook be deemed fulfilled.

CARRIED

MAVERICK LOAN 146/15 Ramage THAT Chinook School Division borrows the sum of \$2,500,000 repayable over 20 years for the purpose of partially funding the costs of construction and renovation of the Maverick School Relocation project in Swift Current. The loan shall be procured from the RBC Royal Bank at a rate of interest of 3.33% and will be secured by ongoing operating grants.

CARRIED

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FAIRVIEW 147/15 Weinbender THAT the Board accepts the tender from Silverline Construction,
PORTABLE Base Bid of \$360,529.00, as attached, for the Fairview School
TENDER Portable Addition.

CARRIED

Kevin Jones, Manager of Transportation and Facilities presented
The Transportation Status Report

TRANS. 148/15 Wright THAT the Transportation Status Report be received.
REPORT

CARRIED

Liam Choo-Foo, Director of Education, presented the September
30, 2015 Official Enrolments Report.

OFFICIAL 149/15 Wright THAT the September 30, 2015 Official Enrolments Report be
ENROLMENTS received.

CARRIED

HR 150/15 Weinbender THAT the Employee Contracts be ratified as contained in the
REPORT Human Resources Report dated October 13, 2015.

CARRIED

FOX VALLEY 151/15 Appलगren THAT the Chinook School Division Board of Education will
SCC FINANCIAL approve the request of the Fox Valley SCC to donate \$500.00
REQUEST to support their Open House / John Dunn Presentation on
October 14, 2015.

CARRIED

ADMINISTRATIVE POLICY NO. 701.1

TANGIBLE CAPITAL ASSETS (TCA)

In accordance with PSAB Section 3150 the 2008/09 Financial Statements initiate compliance with provisions related to the valuation of Tangible Capital Assets (TCA). AP 701.1 provides overall direction for the capitalization of assets, technical guidance in the creation of a tangible capital assets accounting system and addresses areas of PSAB 3150 that may require professional judgment. In addition the TCA Policy provides a framework to make consistent and sound decisions, plan ahead for future needs and provide public confidence in accounting and financial reporting processes.

PROCEDURES

1. *Definitions*

In accordance with PSAB 3150.05, TCA are non-financial assets having physical substance that:

- i. are held for use in the production or supply of goods or services, for rental to others, for administrative purposes or for the development, construction, maintenance or repair of other tangible capital assets;
- ii. have useful economic lives extending beyond an accounting period;
- iii. are to be used on a continuing basis; and
- iv. are not for sale in the ordinary course of operations.

Cost is the gross amount of consideration given up to acquire, construct, develop or better a TCA, and includes all costs directly attributable to acquisition, construction, development or betterment of the TCA, including installing the asset at the location and in the condition necessary for its intended use. Tangible Capital Assets are recorded at historical cost. Where historical cost information is not available, valuation approaches such as appraisals, the deflated replacement cost, the deflated reproduction cost or fair value are to be applied where appropriate.

2. *Asset Classes and Amortization*

The level of detail required in the capital asset inventory is a balance between the cost of data collection, tracking and analysis and the beneficial use of the information gathered. A category of assets is a grouping of assets of a similar nature or function in the Board's operations. Chinook School Division utilizes the following Asset classes and Amortization table as recommended by the Ministry of Learning

Asset Classes and Amortization			
<u>Class of Asset</u>	<u>Tracking Method</u>	<u>Amortization Method</u>	<u>Useful Life</u>
Land	By Asset at Historical cost	N/A	N/A
Land Improvements: pavement, fencing, lighting, etc.	By Asset	Straight line	20
Buildings	By Asset	Straight line	50
Buildings – short term: portables, storage, outbuildings, garages	By Asset	Straight line	20
Building Improvements	By Asset	Straight line	20
School Buses	By Asset	Straight line	12
Other Vehicles - Light	By Asset	Straight line	5
Other Vehicles - Heavy	By Asset	Straight line	10
Furniture & Equipment	Pooling	Straight line	10
Computer Hardware & Audio Visual Equipment	Pooling	Straight line	5
Computer Software	Pooling	Straight Line	5
Books (only collections with unlimited useful life)	Pooling	N/A	N/A
Leased Capital Assets	Pooling	Straight line	Lease Term
Assets Under Construction	By Asset	N/A	N/A

Pooling refers to the Pooled Cost Approach. Under this approach, similar TCA are grouped into one TCA class as would ordinarily be done under the regular cost approach Pooled TCA are typically held until the end of their useful life. TCA recorded under the pooled cost approach are to be reported by year of purchase in the applicable TCA class.

3. *Capitalization Thresholds*

Capitalization thresholds are established to determine whether expenditures are to be capitalized as assets and depreciated or treated as current year expenditures. Chinook capitalization thresholds are set based on information gathered from various industry sources and experts combined the consideration of the materiality of the asset category. Thresholds apply to capital goods purchased and capital projects constructed with the total cost of the good or project meeting the capitalization threshold criteria. For financial reporting purposes thresholds are set fairly high, however, details may be useful for the Board's capital asset management program. Therefore, an optimal threshold for each asset category is a balance between the two.

Expenditures in excess of thresholds for building components will be recorded at cost. In the case of building improvements, expenditures made to maintain an existing capital asset that restores the capital asset to working condition but does not extend the life of the capital asset will be considered repairs and maintenance expenditure. Costs incurred to enhance the service potential of a capital asset are a building improvement and will be capitalized to the extent the cost is less than \$1,000,000. In the case of building improvements, costs greater than \$1,000,000 will be capitalized in the same class as the existing asset.

Service potential may be enhanced when there is an increase in the previously assessed service capacity, associated operating costs are lowered, the useful life is extended, or the quality of output is improved. In cases where costs are supported by the Ministry, capital grants **are not netted** against the cost.

Amortization of costs will be straight line and the length of the amortization period will be determined by the impact the expenditure will have on the useful life of the building. Guidance in this process will be taken from the projected life cycles of components contained within FAME asset management software being utilized by Chinook. A full year's amortization is recorded in the year the asset is acquired, constructed or developed and put into use, regardless of when this event occurs in the fiscal year.

ASSET CATEGORY	CAPITALIZATION THRESHOLD
Land	Capitalize Only
Land Improvements	\$25,000
Buildings	\$50,000
Buildings – Short Term	\$10,000
School Buses, Light and Heavy Vehicles	\$3,000
Furniture and Equipment	\$1,500 (a)
Computer Hardware & Audio Visual Equipment	\$1,500 (a)
Computer Software	\$1,500 (a)
Leased Capital Assets	\$3,000 (a)(b)
Assets Under Construction	Capitalize Only

- (a) Based on a per transaction basis, any amount over will be capitalized on a pooled method and any transaction below will be expensed.
- (b) Leased TCA note disclosure detailing leases required

Revised October 13, 2015

ADMINISTRATIVE POLICY NO. 706

PURCHASING

Purchases of materials, supplies, and equipment by the Board are to be made in accordance with principles and procedures designed to acquire best value for the school division.

PROCEDURES

1. Definitions

The following definitions are cited to ensure consistent interpretation:

- *Formal Tender* – A process requiring the tender to be advertised in the local newspaper(s) and tender opening to be made publicly.
- *Request for Proposal* – This method of acquisition can be used for any dollar value and involves the solicitation of proposals when the requirements for goods and/or services cannot be definitely specified.
It may or may not include pre-qualification or an expression of interest. This process has the most flexibility and will generally be governed by the terms of the request for proposal as developed by the Board. Depending on its terms, the process may involve negotiations subsequent to the submission of proposals on any or all of the specifications, contract terms and prices.
- *Written Quotation* – A process requiring selected vendors to submit written quotations, not required to be opened publicly.
- *Local Purchase Order* – A legal contract between the school division and a vendor that gives the vendor authority to ship and charge for the goods specified in the order.
- *Standing Order* – A contract that provides for a vendor to supply specified products or services for a specified period of time with actual requirements to be determined, requested, and delivered when and as required.

2. Processing Purchases

a. Formal tendering is required when:

- The Director of Education, or designate deems it to be in the best interests of the school division; or
- It is a requirement of *The Education Act, 1995*.

- b. A formal request for proposal process is used when the purchase is not solely a product or commodity, but is more in the nature of a solution to a problem or need where the solutions are expected to be quite varied and/or difficult to evaluate, or cost is not the only selection criterion.
- c. A minimum of three (3) written quotations are to be requested when:
 - The value of the item is expected to be between \$5,000.00 and \$75,000.00; or
 - The Director of Education or designate deems it to be in the best interests of the school division.
- d. Goods and services up to an aggregate cost of \$5,000.00 may be purchased directly by budget managers utilizing a local purchase order or purchase cards. Goods and services obtained through the formal tender process are excluded from this authority.
- e. It is expected that all requirements for goods and services purchased through the formal tender process will be ordered by the schools and all Board sites at the time of the formal tender.
- f. The lists of goods and services to be obtained through the formal tender process is to be subject to an annual review to determine items of inferior quality and/or items to be added or deleted.
- g. The CFO/Designate has the lead responsibility for conducting formal tenders.
- h. In those cases where the tender or quotation process is utilized, consideration is to be given to process, quality, and the supplier's reputation, as evidenced by previous performance and service.
- i. Where no competitive supply market exists, or it is considered in the best interests of the Board, purchasing practices are to employ such value analysis and negotiation methods considered appropriate for obtaining acceptable materials at the lowest possible price.
- j. All goods and services purchased are to be obtained through the use of an approved purchase order with the exception of small goods and services purchased by means of petty cash funds or purchase cards.
- k. Purchasing processes, forms, and services are to be utilized only for authorized school division business.
- l. No school division employee utilizing purchasing processes is to accept any gift or benefit, whether in the form of goods, services, loans, or favours, from any individual, organization, or corporation which is interested directly or indirectly in dealings with the Board, subject to normal exchange or hospitality between persons doing business together.

3. Responsibilities and Authorities

- a. The Board of Education is responsible for the award of tenders for capital expenditures for motor vehicles, furniture and fixtures, equipment and educational materials and supplies exceeding \$75,000, capital expenditures for building materials exceeding \$75,000, contracts for other capital works exceeding \$200,000 and transportation services exceeding \$75,000.
- b. The CFO/Designate is responsible for purchasing practices and procedures.
- c. The CFO/Designate has the authority to revise requisitions according to established standards, provided such revisions are discussed with the requisitioner.
- d. Purchase of goods and services required for the purposes of the Board, save and except only those goods and/or services listed in Appendix A shall be authorized with the provisions listed below:

Role

Limited Authorizations per transaction

Director of Education	Within approved budget and policy
Deputy Director of Education	Within approved budget
Chief Financial Officer	Within approved budget
Controller	Within approved budget
Executive Assistant / Office Manager	\$ 20,000
Student Services Coordinators	\$ 10,000
Student Service Admin Support	\$ 10,000
Superintendent of Schools	Within approved budget
Superintendent of Learning	Within approved budget
Curriculum & Instruction Admin Support	\$ 10,000
Curriculum Coordinator	\$ 10,000
Manager of Information Systems	Within approved budget
Manager of Transportation	Within approved budget
Transportation Administrators	\$ 50,000
Transportation Admin Support	\$ 5,000
Manager of Facilities & Maintenance	Within approved budget
Facilities Admin Support	\$ 2,500
Supervisor of Employee Compensation	Within approved budget
Superintendent of Human Resources	Within approved budget
Communications Coordinator	\$ 50,000
Purchasing and Records	\$ 50,000
School Principals	\$ 50,000
Level 1 Coordinator	Within approved budget

Appendix A

Due to the nature and amount of the following expenditure items preauthorized approval has been issued provided a single transaction does not exceed \$ 75,000.

1. Licenses (vehicles, elevators, radios, etc.)
2. Charges to or from other government bodies or Crown Corporations except for construction and/or maintenance projects
3. Real Estate including land, buildings, leasehold interests, easements, encroachments and licenses
4. Professional services
5. Freight charges
6. Legal fees and other professional services related to litigation or legal matters
7. Postage, Water, Sewage charges, Garbage Disposal and Telephone Service
8. Natural Gas and Power

Revised October 13, 2015



Fairview School Addition
859 5th Ave SW
Swift Current SK
aodbt Project No. 15-063
September 22, 2015

TENDER SUMMARY

	Acadia Construction	Frontier Builders	Silverline Construction
Initial Bid	\$555,663.00	\$1,000,000.00	\$750,000.00
Fax Revision 1		-\$630,676.00	-\$389,471.00
Fax Revision 2			
Final Base Bid	\$555,663.00	\$369,324.00	\$360,529.00
Received Addendum Nos. 1 and 2	✓	✓	✓
Bid Bond	✓	✓	Certified Cheque
Letter of Surety	✓	✓	✓
Date of Substantial Completion	26 work weeks	April 1, 2016	April 30, 2016