



Procurement in Three B.C. School Districts



Abbotsford
(School District No.34)



Coquitlam
(School District No.43)



Saanich
(School District No.63)



Office of the
Auditor General
of British Columbia

623 Fort Street
Victoria, British Columbia
V8W 1G1

250.419.6100
oag.bc.ca

The Honourable Raj Chouhan
Speaker of the Legislative Assembly
Province of British Columbia
Parliament Buildings
Victoria, British Columbia
V8V 1X4

Dear Mr. Speaker:

I have the honour to transmit to the Speaker of the Legislative Assembly of British Columbia the report, *Procurement in Three B.C. School Districts*.

We conducted these audits under the authority of Section 11(8) of the *Auditor General Act*. All work in these audits was performed to a reasonable level of assurance in accordance with the Canadian Standard on Assurance Engagements (CSAE) 3001 – Direct Engagements, set out by the Chartered Professional Accountants of Canada (CPA Canada) in the *CPA Canada Handbook – Assurance*.

Bridget Parrish, CPA, CA
Auditor General of British Columbia
Victoria, B.C.

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Audits at a glance

Why we did these audits

- B.C. public sector organizations, including school districts, spend significant amounts every year by procuring various goods and services.
- Effective procurement frameworks (including policies and practices) help ensure public funds are spent fairly, transparently, and that value is received for money spent.
- Our office will pay particular attention to procurement across ministries and public sector organizations in coming years because inconsistent procurement practices can increase legal, financial, operational, and reputational risks.
- We started by looking at the procurement frameworks of three school districts: Abbotsford, Coquitlam, and Saanich.

About these audits

- For the fiscal year that ended on June 30, 2025, the value of goods and services procured by all B.C. school districts was about \$800 million.
- School districts develop their own procurement framework. Their procurement policies and practices are expected to follow the spirit and intent of the Province of B.C.'s procurement policy and applicable trade agreements.
- This report includes chapters – with conclusions, findings and recommendations – for each of the three school districts that we audited.

Objective

Our objective was to determine if School District No. 34 (Abbotsford), School District No. 43 (Coquitlam), and School District No. 63 (Saanich) had implemented procurement frameworks that reflected the spirit and intent of the Province of B.C.'s Core Policy and Procedures Manual.

Scope of the work

The three audits focused on the districts' procurement of goods and services. We looked at the design of the policies and procedures used to guide procurement planning, solicitation, evaluation and contract management phases. We also examined a selection of procurements to see how each school district put its policies into practice.

Audit chapters

Chapter 1: An audit of the procurement policy and procedures at School District No. 34 (Abbotsford)

We concluded that School District 34 (Abbotsford) did not implement a procurement framework that reflected the spirit and intent of the Core Policy and Procedures Manual (CPPM). While the school district had incorporated many elements of the CPPM into their policy, the policy did not:

- require consideration of alternatives to a new procurement;
- require that the same information, including evaluation criteria, was provided to all vendors and that vendors were provided with sufficient time to submit responses;
- offer a mechanism for submitting complaints; and
- include a contract amendment process.

Audits at a glance *(continued)*

Chapter 1: An audit of the procurement policy and procedures at School District No. 34 (Abbotsford)

Continued

We also found that some practices did not follow the school district's policy. Most notably, the district did not consistently follow its solicitation policy to run a competitive process when purchasing goods and services over \$25,000. As well, we found that the district did not always use contracts when required, perform vendor evaluations, or document its approval of directly awarded contracts, per its policy.

School District No. 34 (Abbotsford) has accepted the 11 recommendations we made to update its procurement policy and procedures to reflect the spirit and intent of the CPPM.

Audit period: July 1, 2024 - October 31, 2025

Chapter 2: An audit of the procurement policy and procedures at School District No. 43 (Coquitlam)

We concluded that School District 43 (Coquitlam) had implemented a procurement framework that reflected the spirit and intent of the CPPM. We identified minor exceptions related to monitoring and evaluating contractor performance and not having a policy in place to prevent contract amendments that could change the nature and intent of the original contract. School District No. 43 (Coquitlam) has accepted our three recommendations to update its procurement policy and procedures to reflect the spirit and intent of the CPPM.

Audit period: July 1, 2024 - June 30, 2025

Chapter 3: An audit of the procurement policy and procedures at School District No. 63 (Saanich)

We concluded that School District No. 63 (Saanich) did not implement a procurement framework that reflected the spirit and intent of the CPPM. While the school district had incorporated elements of the CPPM into their policy, the policy did not:

- include a vendor complaint process;
- require the use of a standard contract template and that contracts were to be signed before goods and services were delivered;
- provide guidance for monitoring and reporting on contractor performance, resolving contract disputes or amending contracts.

We also found that some of the school district's procurement policies weren't being followed in practice. Most notably, the district was not consistently following its solicitation and evaluation policies to support a competitive process when purchasing goods and services between \$25,000 and \$75,000.

School District No. 63 (Saanich) has accepted seven of our eight recommendations to update its procurement policy and procedures to reflect the spirit and intent of the CPPM.

Audit period: July 1, 2024 - October 31, 2025

Procurement in B.C. school districts

Public sector organizations, including school districts, use procurement to find suppliers, negotiate terms, and acquire goods and services. Effective procurement processes are critical. They ensure goods and services are obtained in an economical, fair, transparent, and accountable way. They support sound financial management. They help maintain public trust.

Procurement often involves a sequence of phases and processes:

- **Planning** – determining the organization’s needs and the most appropriate approach to identifying vendors and completing all phases in a fair and open manner.
- **Solicitation** – determining the way to reach the vendor community and connect them to the procurement opportunity.
- **Evaluation** – evaluating responses, bids, or proposals from vendors.
- **Contract management** – developing a contract with the successful vendor and then managing the contract and delivery of goods or services over the term of the contract.

Procurement decisions can involve significant dollar amounts, so weaknesses in policy or practice can expose organizations to possible financial loss, operational disruptions, or reputational damage. Inadequate procurement processes may result in poor value for money, an increased risk of disputes or litigation, mismanagement of public resources, or unmitigated conflicts of interest.

Risks are particularly relevant in environments where budgets are under pressure while service delivery expectations remain high. Organizations face challenges in balancing operating and capital budgets while meeting the needs of the public.

School districts spend significant amounts on the procurement of goods and services – a total of about \$800 million in the fiscal year that ended on June 30, 2025 – on such items as computer equipment and related services, classroom and office supplies, on-site fuel services, or food supplies.

The scale and diversity of these purchases make it essential for school districts to have effective procurement policies and practices in place that help ensure value for money, support for school and classroom operations, and accountability.

B.C.’s Core Policy and Procedures Manual

The Core Policy and Procedures Manual (CPPM) provides the provincial government’s framework for financial management, asset control, and procurement. The manual is designed to:

- ensure public funds are controlled, accounted for, and well managed;
- promote open, fair, and transparent conduct of government business activities;
- promote and encourage consistent best practices in management and administrative processes across government; and
- ensure that public funds are used in the amounts and for the purposes authorized by the Legislative Assembly of B.C.

The CPPM applies to all ministries.



Provincial Crown corporations, public bodies and funded agencies – including school districts – are expected to follow the spirit and intent of CPPM policy requirements.

Chapter 6 of the CPPM establishes a good-practice procurement framework, including requirements for all aspects of procurement that are relevant to all public sector organizations.

The CPPM's procurement policies support the principles of fair and open procurement that are reinforced in trade agreements and competitive bidding law:

- **Accountability** – organizations are accountable for procurement decisions and compliance with policies.
- **Transparency** – vendors have fair access to information on procurement opportunities, processes, and results.
- **Competition** – procurements are competitive, when required, and organizations engage in a competitive process only with the full intent to award a contract at the end of that process.
- **Fair, open and non-discriminatory processes** – organizations undertake procurement activities in an impartial, fair, non-discriminatory, and open and transparent manner.
- **Value for money** – organizations receive best value for money spent on goods and services.
- **Demand aggregation** – combining the purchases of common goods and services to yield better value for money through economies of scale.

School district procurement frameworks

Under the *School Act*, school boards appoint a school superintendent who is responsible for the district's operations, including procurement. The superintendent is accountable for ensuring the district's procurement policies and practices comply with legislation, relevant trade agreements, government directives, and the spirit and intent of the CPPM.

The trade agreements most relevant to school districts are the New West Partnership Trade Agreement (NWPTA) and the Canadian Free Trade Agreement (CFTA).

For example, the NWPTA requires school districts to allow qualified suppliers from B.C., Alberta, Saskatchewan and Manitoba to compete for contracts above certain dollar thresholds. Following the spirit and intent of the CPPM helps ensure that school district procurement frameworks support compliance with trade agreements and uphold the principles of fair and open procurement.



Our audits

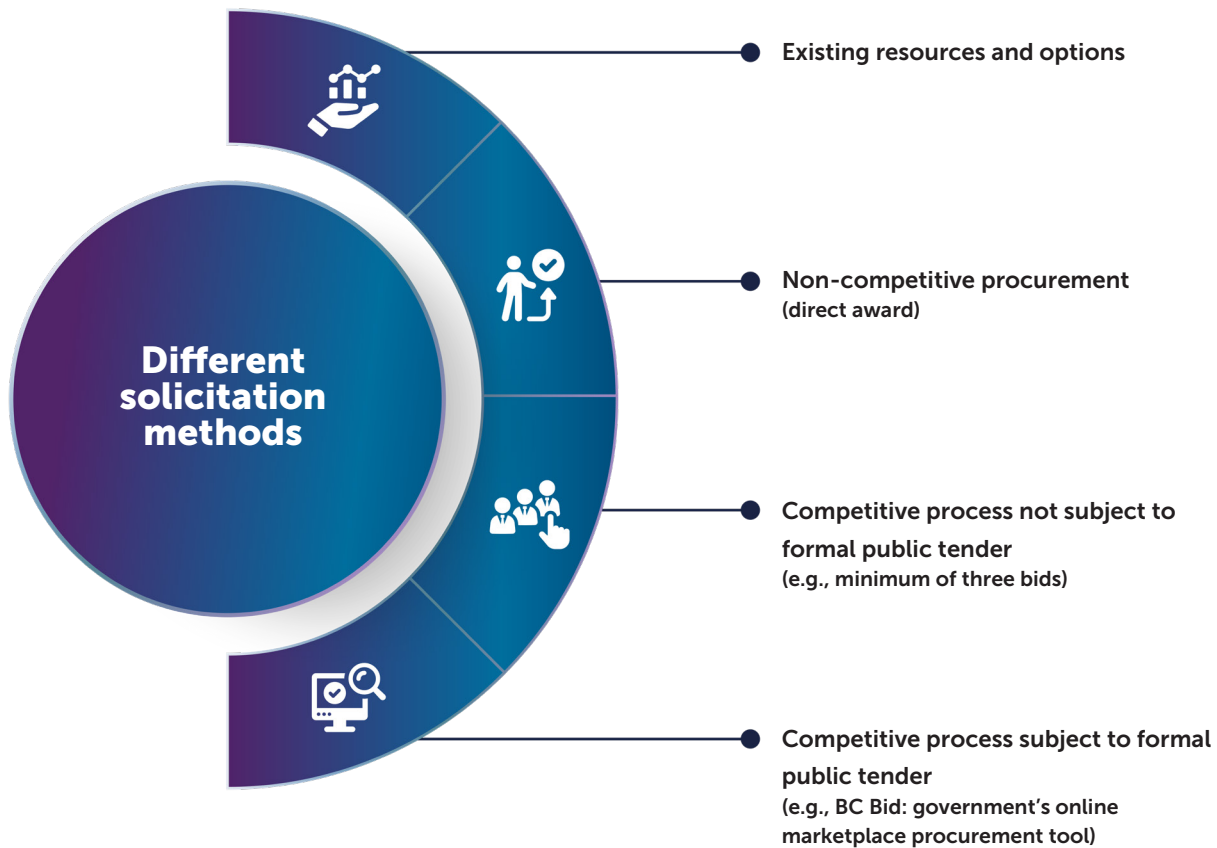
We conducted three audits to see whether the selected school districts had implemented procurement policies and procedures that reflected the spirit and intent of Chapter 6 of the Province of B.C.'s Core Policy and Procedures Manual.

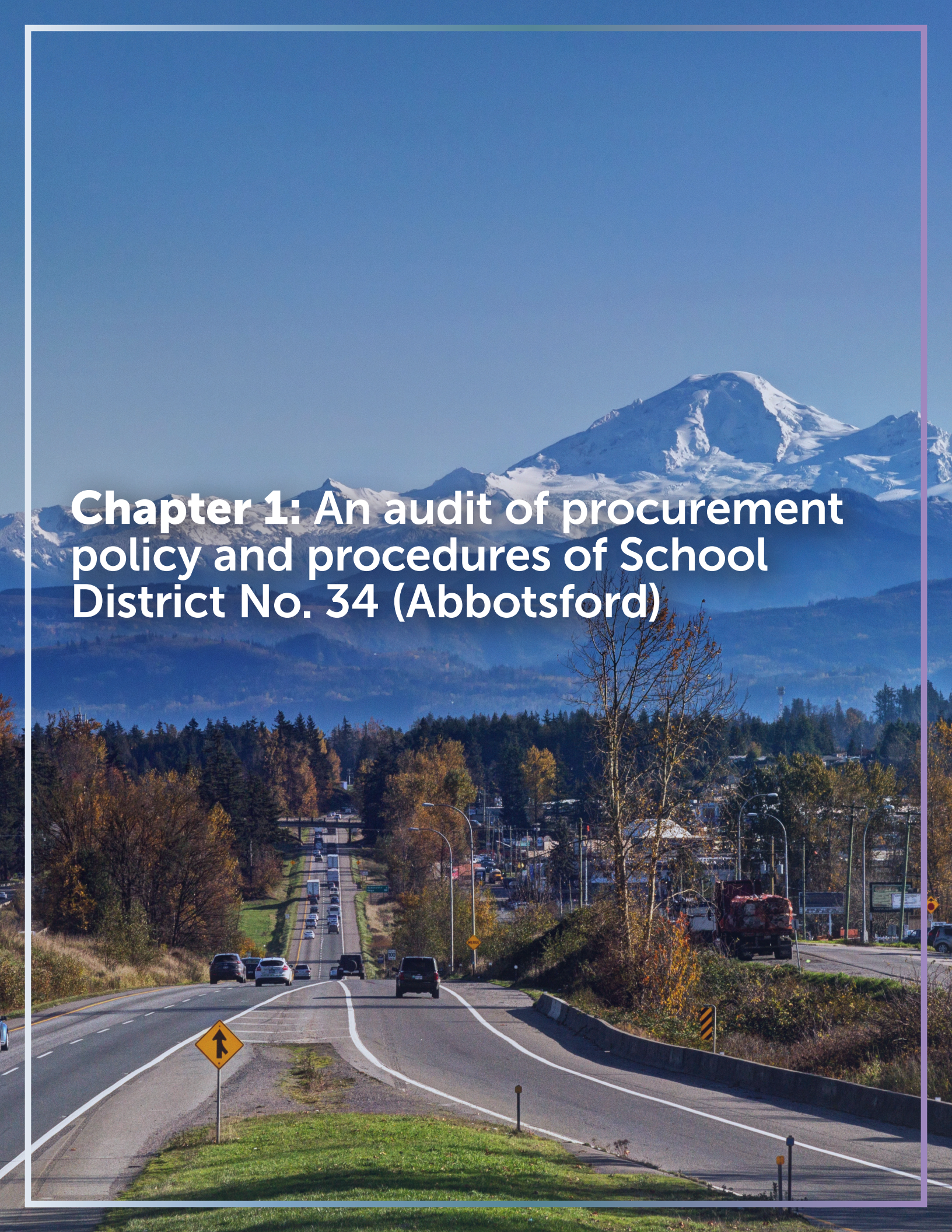
Our conclusions, findings, and recommendations are presented in three chapters:

Chapter 1: An audit of the procurement policy and procedures at School District No. 34 (Abbotsford)

Chapter 2: An audit of the procurement policy and procedures at School District No. 43 (Coquitlam)

Chapter 3: An audit of the procurement policy and procedures at School District No. 63 (Saanich)





Chapter 1: An audit of procurement policy and procedures of School District No. 34 (Abbotsford)

Objective

The objective of the audit was to determine if School District No. 34 (Abbotsford) implemented a procurement framework that reflected the spirit and intent of the Province of B.C.'s Core Policy and Procedures Manual.

Scope

We audited School District No. 34 (Abbotsford) to see if its procurement policy and procedures established a procurement framework that reflected the spirit and intent of the Core Policy and Procedures Manual, Chapter 6.

This audit focused on the district's procurement of goods and services. We also examined a selection of procurements to see how the school district applied its procurement policy and procedures in practice.

The audit period was from July 1, 2024 to Oct. 31, 2025.

[Learn more about the audit criteria on page 26.](#)

[Learn more about how we did this audit on page 21.](#)



Conclusion

We concluded that School District 34 (Abbotsford) did not implement a procurement framework that reflected the spirit and intent of the Core Policy and Procedures Manual (CPPM). While the school district incorporated elements of the CPPM into their procurement policy, it had gaps that included:

- not requiring staff to consider alternatives before starting a procurement process;
- not requiring that all vendors received the same information (including evaluation criteria), had sufficient time to submit responses, and had a mechanism to submit complaints; and
- not providing guidance for amending contracts.

We found that some practices did not follow school district policy. Most notably, the district did not consistently run a competitive process for procuring goods and services worth more than \$25,000, which did not follow its solicitation policy or support fair and open procurement.

As well, the district did not always follow its policy to use contracts when required, perform vendor evaluations, or document its approval of directly-awarded contracts.

Background

School District No. 34 (Abbotsford) is the eighth largest district in B.C., with close to 20,000 full-time and part-time students. The district operates 46 schools (31 elementary, six middle, two combined middle-secondary, six secondary, and one virtual). It employs over 3,000 full-time and part-time teachers, and support staff.

In the fiscal year that ended on June 30, 2025, district expenditures were about \$289 million. It spent about \$32 million (11 per cent) on goods and services.

The Abbotsford school district has a purchasing department, with a purchasing manager and a buyer. Procurement is largely centralized, requiring a purchase order or a contract for each purchase, depending on the total value of the goods or services.

**~20,000
students**



**46
schools**



**+3,000
staff**



Findings and recommendations

Procurement framework

An up-to-date procurement policy – with roles, responsibilities, and procedures to guide staff – provides a framework to enable fair, open, and accountable procurement of goods and services.

The district had a procurement policy, but did not define roles and responsibilities

What we looked for

We examined whether the Abbotsford school district had a documented procurement policy that was communicated to staff and identified who was responsible for procurement. We also looked at whether there was a process to ensure the procurement policy was up to date.

[Learn more about the audit criteria on page 26.](#)

What we found

The district's procurement policy was available on its public website and was accessible to all staff. The district reviews the policy annually and any policy changes must be approved by the district superintendent. At the time of the audit, the most recent change was made in April 2022.

However, the district's policy did not identify roles and responsibilities for procurement.

Why this matters

A publicly available procurement policy provides clarity for district staff and potential vendors, and an annual review process helps to ensure the policy stays relevant.

Without clearly defined roles and responsibilities for each phase of the school district's procurement process, there is an increased risk of gaps or overlapping responsibilities, inconsistent procurement practices, and less oversight of policy compliance.

Recommendation

We recommend that School District No. 34 (Abbotsford):

1. Update its procurement policy to identify roles and responsibilities for procurement.

[See the response from the auditee on page 22.](#)



Procurement planning

Proper planning is important to ensure that the procurement is necessary, the scope and value of the goods and services being acquired are defined, and that the proper procurement method is used.

The district's procurement planning policy did not include consideration for alternatives to new procurement

What we looked for

We examined if the school district's procurement framework included a policy and procedures that considered:

- alternatives to new procurement;
- different solicitation methods; and
- applicable trade agreement requirements.

[Learn more about the audit criteria on page 26.](#)

What we found

The district's policy for procurement planning included guidance on different solicitation methods but did not include a requirement to consider procurement alternatives (e.g., the requirement to determine if existing or surplus resources could be used instead of a new procurement).

The procurement policy outlined the requirement to comply with applicable trade agreements and identified the New West Partnership Agreement, the Canadian Free Trade Agreement, and processes for importing products. The district's policy established solicitation methods based on dollar thresholds, consistent with the CPPM and trade agreements. The methods included:

- obtaining three written quotations from known sources for purchases between \$25,000 and \$75,000; and
- following a formal procurement tendering process for purchases over \$75,000.

Why this matters

Because the policy does not require district staff to consider alternatives to new procurement, there is a risk that the district could initiate a new procurement rather than potentially saving money by using existing or surplus resources.

Recommendation

We recommend that School District No. 34 (Abbotsford):

2. Update its procurement policy to require the consideration of alternatives to new procurement.

[See the response from the auditee on page 22.](#)



Solicitation phase

The solicitation phase of the procurement cycle is when the school district invites vendors to submit proposals or bids for the goods or services to be acquired. The process involves issuing solicitation documents, advertising opportunities, answering vendor questions and receiving bids to ensure a fair, and open selection process.

The district's solicitation policy did not support fair and open procurement

What we looked for

We examined whether the school district's procurement framework included a policy and procedures that supported fair, open, and non-discriminatory practices, by requiring that:

- the same information was provided to all vendors;
- evaluation criteria, including any weightings, were disclosed; and
- vendors were provided sufficient time to respond.

We also examined whether the solicitation policy included requirements for posting on BC Bid or another method of obtaining multiple quotes or proposals; whether dollar thresholds aligned with the CPPM and relevant trade agreements; and whether the district had criteria for directly awarding contracts.

[Learn more about the audit criteria on page 26.](#)

What we found

The district's solicitation policy and procedures did not support the principles of fair, open and non-discriminatory practices.

While the policy included dollar thresholds that aligned with the spirit and intent of the CPPM and applicable trade agreements (see Table 1), and provided criteria for direct awards, it did not require that:

- the same information was provided to all vendors;
- evaluation criteria, including any weightings, were disclosed; and
- vendors were provided sufficient time to submit responses.

Table 1: Administrative Procedure 504 Purchasing

Purchase amount	Solicitation method
Up to \$25,000 (possible direct award)	May be purchased with the discretion of the applicable budget manager. Multiple quotations are recommended but not required.



Purchase amount	Solicitation method
Between \$25,000 and \$75,000	May be purchased after obtaining three written quotations from known sources of supply using established purchasing method.
Over \$75,000	Purchase must follow a formal procurement process administered by the purchasing department and advertised on the acceptable government procurement portal (i.e., BC Bid), and other media as appropriate.
Sole-sourcing	Permitted only in exceptional circumstances and requires the approval of the secretary-treasurer. Exceptional circumstances include an urgent requirement to: <ul style="list-style-type: none"> • protect and ensure the safety of students and staff; • protect school district assets; • prevent a serious financial loss to the district; or • maintain fleet standardization.

* Information within table sourced from AP 504 published on [AP 504, Abbotsford school district](#).

We also found that staff did not consistently follow the policy. We reviewed examples of procurements of goods and services at the different dollar thresholds to confirm if the policy had been implemented.

We looked at one example of procurement with a dollar value up to \$25,000 and saw that it had been directly awarded, which was allowable under its sole-sourcing policy.

We also looked at two examples of procurement between \$25,000 and \$75,000 and found that the district did not obtain three quotes, as required by policy. The purchases were directly awarded to each vendor based on an existing relationship between the district and the vendor.

We reviewed four examples of procurement over \$75,000 and found that only one was awarded following a formal process that included advertising on BC Bid, as required by the district's policy. In that example, the district's tender documentation included the evaluation criteria and provided vendors with sufficient time to submit responses.

One of the other examples was directly awarded based on the vendor being the only vendor available to provide the service. Although the direct award was justified under the policy, the district did not document the rationale for the direct award nor demonstrate it had obtained the required approval from the secretary-treasurer, as set out in its procurement policy.



The other two contracts were directly awarded to vendors based on their prior contract history with the district. A formal solicitation process, as required by policy, was not applied.

Why this matters

There is less assurance that the district's procurement processes are fair, open and non-discriminatory because its procurement policy did not require that all vendors receive the same information, that evaluation criteria be disclosed, and that sufficient time be provided to submit responses.

The district's use of legacy contract arrangements limits competition, may reduce value for money, and can create a perception of preferential treatment.

By not documenting its rationale for direct awards and obtaining appropriate approvals, the district can't ensure that decisions that bypass competitive processes are transparent and fair.

Recommendations

We recommend that School District No. 34 (Abbotsford):

3. Update its procurement policy to include a requirement to provide the same information to all vendors and to provide sufficient time for vendors to submit responses.
4. Ensure staff follow its procurement policy for solicitation methods and direct awards.

[See the response from the auditee on page 22.](#)

Evaluation phase

In this phase, responses from vendors are reviewed and compared against pre-defined criteria contained in the solicitation documents to determine which response best meets the school district's requirements and objectives, ensuring a fair and transparent evaluation.

The district's evaluation policy did not support a fair and open vendor selection process

What we looked for

We examined whether the school district's procurement framework included a policy and procedures for its evaluation process that required:

- the vendor selection process to be based on evaluation criteria disclosed in the solicitation document;
- the rationale for the ranking of all vendors to be documented; and
- an accessible and timely process for vendors to submit complaints about the selection process.

[Learn more about the audit criteria on page 26.](#)



What we found

We found that the district's policy required vendor evaluation based on defined best value criteria. However, its policy does not require staff to disclose these criteria in the solicitation documents.

Also, there was no requirement to document the rationale for the ranking of vendors, and the district did not include a process for vendors to submit complaints about the selection process.

To determine if, in practice, the vendor selection process was based on defined best value criteria per its policy, we reviewed five examples of purchases over \$25,000.

In four examples, there was no evidence that the district had applied evaluation criteria when selecting the winning vendor or that there was any ranking of vendors prior to the selection. The district did not follow a formal evaluation process in these examples.

In the fifth example, the district posted the opportunity on BC Bid and chose the successful vendor based on the evaluation criteria in the tender document. Staff also documented the rationale for the final ranking of all vendors.

Why this matters

By not evaluating vendors using transparent criteria and documenting the rationale for the ranking of vendors, the school district can't demonstrate that it followed fair and open procurement practices consistent with the spirit and intent of the CPPM.

As well, the lack of a vendor complaint process may reduce confidence in the integrity of the school district's procurement processes and reduce its ability to spot opportunities to improve the fairness and transparency of its procurement processes.

Recommendations

We recommend that School District No. 34 (Abbotsford):

5. Ensure vendor selection is based on the evaluation criteria disclosed during solicitation.
6. Update its procurement policy to include a requirement to document the rationale for the ranking of all vendors.
7. Update its procurement policy to include an accessible and timely process for vendors to submit complaints about the vendor selection process.

[See the response from the auditee on page 22.](#)

Contract management phase

When a successful vendor is selected, a contract states the terms of the arrangement and authorizes the work. Contract performance should be monitored to ensure compliance with the agreed terms, and any issues or disputes should be managed in accordance with the contract's dispute resolution provisions.



Changes to the scope, schedule, or cost should be handled through formal contract amendments to maintain fairness and transparency.

At close-out, deliverables should be confirmed as complete, and any vendor performance issues should be documented for future reference.

The district's contract management policy did not support fair and open procurement

What we looked for

We examined whether the school district's procurement framework had a policy and procedures for contract management that included:

- a process to ensure contract templates were up to date;
- a process for contract amendments;
- a process for resolving contract disputes;
- a requirement for contracts to be in writing and signed by authorized representatives of the parties before services or goods were delivered;
- a process for monitoring a contractor's performance, including methods for communicating performance concerns; and
- a requirement for written evaluations of contractor performance at the end of the contract.

[Learn more about the audit criteria on page 26.](#)

What we found

We found that the district's policy and procedures for contract management did not meet the spirit and intent of the CPPM.

The district did not have a formal process for ensuring its contract template was up to date. The district told us that updates are made on an ad-hoc basis by the purchasing manager and then reviewed by the secretary-treasurer. The district's contract management policy included a process for resolving contract disputes but it did not include a process to guide contract amendments.

We found that although the district's policy required a contract to be in place prior to work starting or goods being delivered, in practice it did not use contracts consistently.

We looked at four examples of procurement of goods and services and found that in three cases the district had services delivered without signed contracts. Although it did have purchase orders, according to the district's policy, a contract or renewal should have been in place before services commenced.

The district's contract template required that staff monitor contractor performance and conduct a post-contract evaluation. However, in practice the district told us it only performs evaluations when there are issues. They did not have a process to guide staff to monitor and report on a contractor's performance.



For the contract example that we examined, the district did not monitor performance or complete a post-contract evaluation.

Why this matters

Without policy and procedures for contract amendments, and to ensure contract templates are current, the school district could face risks related to legal liabilities or failing to meet trade agreement requirements. Vendor performance expectations could also be unclear.

A signed contract for long-term agreements is important because it formally documents the terms, responsibilities, and obligations of both parties. It provides more legal protection (than a purchase order), clarity, and accountability. Because the district did not consistently follow its policy and use contracts when required, it could be exposed to legal risks.

As the district did not monitor contractor performance and complete post-contract evaluations, there is a risk that it may not receive quality goods or services. It is also at risk of continuing to use vendors who were not accountable or who did not provide the agreed upon goods or services.

Recommendations

We recommend that School District No. 34 (Abbotsford):

- 8.** Implement a formal review process to ensure contract templates are up to date.
- 9.** Update its policy to include a process to guide contract amendments.
- 10.** Ensure contracts are in place before services or goods are delivered as required by policy.
- 11.** Complete contractor performance monitoring and post-contract evaluations as required by policy.

[See the response from the auditee on page 22.](#)



About the audit

We conducted this audit under the authority of Section 11(8) of the *Auditor General Act* and in accordance with the Canadian Standard on Assurance Engagements (CSAE) 3001—Direct Engagements, set out by the Chartered Professional Accountants of Canada (CPA Canada) in the CPA Canada Handbook—Assurance. These standards require that we independently express a conclusion about whether the subject matter complies in all significant respects with the audit criteria.

A direct audit involves understanding the subject matter to identify areas of significance and risk and relevant controls. This understanding is used as the basis for designing and performing audit procedures to obtain evidence on which to base the audit conclusion. The work we conducted provides a reasonable level of assurance in accordance with the standards.

The audit procedures we conducted included inquiry with School District No. 34 (Abbotsford) staff, inspection of the procurement policy, and inspection of procurement documents during the audit period to see if the policy was implemented as designed.

In accordance with our audit process, we obtained the following from School District No. 34 (Abbotsford):

- confirmation of management’s responsibility for the subject under audit;
- acknowledgment of the suitability of the criteria used in the audit;
- confirmation that they have provided all known information that the auditors have requested, or that could affect the findings or audit conclusion; and
- confirmation that the audit report is factually accurate.

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Our office applies the Canadian Standard on Quality Management (CSQM 1), and in conducting this work we have complied with the independence and other ethical requirements of the code of professional conduct issued by the Chartered Professional Accountants of British Columbia that are relevant to this audit.

Audit report date: June 5, 2026



Bridget Parrish, CPA, CA
Auditor General of British Columbia
Victoria, B.C.



Appendix A: Recommendations and auditee response

We recommend that School District No. 34 (Abbotsford):

Recommendation 1: Update its procurement policy to identify roles and responsibilities for procurement.

Recommendation 1 Response: The district agrees with the recommendation and with the importance of clearly defined roles and responsibilities in procurement activities. The district will update its administrative procedures to clarify the roles and accountabilities for procurement that are currently established through organizational structures.

Recommendation 2: Update its procurement policy to require the consideration of alternatives to new procurement.

Recommendation 2 Response: The district agrees with the recommendation and with the intent of encouraging consideration of alternatives where appropriate. In practice, we expect staff to consider options such as existing resources, shared services, and cooperative purchasing where feasible. Formalizing this requirement in all cases may introduce an administrative burden without a commensurate benefit, particularly for low-value procurements. The district will incorporate guidance within its administrative procedures, with a focus on higher-value or higher-risk purchasing activity.



Recommendation 3: Update its procurement policy to include a requirement to provide the same information to all vendors and to provide sufficient time for vendors to submit responses.

Recommendation 3 Response: The district agrees with the recommendation and supports fair and transparent procurement practices, including the provision of consistent information to vendors and reasonable response timelines. The district will update its administrative procedures and templates to ensure expectations are clearly articulated, recognizing that timelines must remain flexible to reflect the nature, urgency and complexity of specific procurements.

Recommendation 4: Ensure staff follow its procurement policy for solicitation methods and direct awards.

Recommendation 4 Response: The district agrees with the recommendation and that adherence to established procurement practices is important. Existing administrative procedures guide the selection of solicitation methods, including circumstances where direct awards are appropriate. The district will reinforce expectations through communication and training and will update its administrative procedures to ensure clarity and consistency in their application.

Recommendation 5: Ensure vendor selection is based on the evaluation criteria disclosed during solicitation.

Recommendation 5 Response: The district agrees with this recommendation and with the principle that vendor selection should align with the disclosed evaluation criteria. The district will update its administrative procedures to ensure consistency and clarity in documentation practices, while maintaining flexibility appropriate to the scale and complexity of procurements.



Recommendation 6: Update its procurement policy to include a requirement to document the rationale for the ranking of all vendors.

Recommendation 6 Response: The district agrees with the recommendation and that appropriate documentation supports fairness and accountability. The district will enhance guidance within the administrative procedures to support documentation of rationale, with a risk-based approach that reflects procurement value and complexity, rather than applying a uniform requirement to all purchases.

Recommendation 7: Update its procurement policy to include an accessible and timely process for vendors to submit complaints about the vendor selection process.

Recommendation 7 Response: The district agrees with the recommendation and will revise its administrative procedures to assist in communicating vendor feedback or concern processes. This includes documenting that concerns are expected to be addressed with the appropriate staff member and, where necessary, through successive levels of administration prior to escalation to the Board. This approach supports timely and effective resolution at the most appropriate level.

Recommendation 8: Implement a formal review process to ensure contract templates are up to date.

Recommendation 8 Response: The district agrees with the recommendation and that contract templates should be periodically reviewed and updated. In practice, templates are reviewed and updated as required, including when legal or operational changes arise. The district will formalize periodic review expectations within its administrative procedures, while maintaining flexibility to address updates in a timely and responsive manner.



Recommendation 9: Update its policy to include a process to guide contract amendments.

Recommendation 9 Response: The district agrees with the recommendation and that contract amendments should be appropriately managed. The district will add additional guidance within its administrative procedures to add clarity that amendments be based on operational needs and contractual obligations, particularly for more complex or higher-value contracts, while maintaining flexibility for routine operational adjustments.

Recommendation 10: Ensure contracts are in place before services or goods are delivered as required by policy.

Recommendation 10 Response: The district agrees with the recommendation and with the importance of having contracts in place prior to the delivery of goods and services. We believe this expectation is generally followed in practice; however, there may be operational situations where timing constraints require prompt action. The district will reinforce expectations with staff and review administrative procedures to support consistency, while recognizing the need for flexibility in urgent or operationally critical circumstances.

Recommendation 11: Complete contractor performance monitoring and post-contract evaluations as required by policy.

Recommendation 11 Response: The district agrees with the recommendation and that monitoring vendor performance is important to support effective procurement outcomes. Performance is currently assessed informally through operational oversight. Formal post-contract evaluations for all procurements may not be proportionate to the scale of activity. The district will implement more structured performance review practices for higher-value or higher-risk contracts within its administrative procedures.



Appendix B: Audit criteria

Procurement framework

- 1.1 The procurement policy and related procedures identify who is responsible for procurement.
- 1.2 The procurement policy and related procedures are documented and communicated to staff.
- 1.3 There is a process to ensure the procurement policy is up to date.

Procurement planning

- 2.1 The procurement policy and related procedures include consideration for alternatives to new procurement.
- 2.2 The procurement policy and related procedures consider different solicitation methods.
- 2.3 The procurement policy and related procedures consider applicable trade agreement requirements.

Solicitation phase

- 3.1 The solicitation process is documented.
- 3.2 The documented solicitation process is fair, open and non-discriminatory, by requiring that:
 - 3.2.1: the same information is provided to all vendors
 - 3.2.2: evaluation criteria, including any weightings, are disclosed
 - 3.2.3: vendors are provided with sufficient time to submit responses
- 3.3 The documented solicitation process includes requirements for posting on BC Bid or another method for obtaining multiple quotes or proposals, as directed by applicable trade agreements.
- 3.4 Thresholds used for solicitations are aligned with the CPPM.
- 3.5 The procurement policy and related procedures include criteria under which a direct award can be issued.

Evaluation phase

- 4.1 The vendor selection process is based on the evaluation criteria disclosed in the solicitation document.
- 4.2 There is a requirement to document the rationale for the ranking of all vendors.
- 4.3 There is an accessible and timely process for vendors to submit complaints regarding vendor selection process.



Contract management phase

- 5.1** The solicitation process is documented.
- 5.2** Contracts must be in writing and signed by authorized representatives of the parties before services or goods are delivered.
- 5.3** There is a documented process for monitoring a contractor's performance, including methods for communicating performance concerns.
- 5.4** There is a documented process for resolving contract disputes.
- 5.5** There is a documented process regarding contract amendments, including requirements that:
 - 5.5.1:** contract amendments must not change the nature and intent of the original contract
 - 5.5.2:** contract amendments that result in the maximum contract amount being exceeded should include consideration for whether a new procurement is required
 - 5.5.3:** contract amendments must be in writing and approved by an expense authority and signed by an authorized representative
 - 5.5.4:** contracts must not include options to extend or renew, or multi-year terms, unless specified in any applicable solicitation document
- 5.6** The procurement framework requires a written evaluation of contractor performance at the end of the contract.

Audit team

Lisa Moore, CPA, CA,
Assistant Auditor General

Mark Vinnish, CPA, CA,
Engagement Leader

Wendy Lee, CPA,
Engagement Manager



The image shows a residential neighborhood with several houses featuring dark brown shingled roofs and stone accents. In the foreground, there are green trees and bushes. The background consists of a dense forest of evergreen trees, followed by a valley with a small town or village. Beyond the town, there are large, forested mountains under a clear blue sky with some light clouds. The overall scene is bright and clear, suggesting a sunny day.

Chapter 2: An audit of the procurement policy and procedures of School District No. 43 (Coquitlam)

Objective

The objective of the audit was to determine if School District No. 43 (Coquitlam) implemented a procurement framework that reflected the spirit and intent of the Province of B.C.'s Core Policy and Procedures Manual.

Scope

We audited School District No. 43 (Coquitlam) to see if its procurement policy and procedures established a procurement framework that reflected the spirit and intent of the Core Policy and Procedures Manual, Chapter 6.

This audit focused on the district's procurement of goods and services. We also examined a selection of procurements to see how the school district applied its procurement policy and procedures in practice.

The audit period was from July 1, 2024 to June 30, 2025.

[Learn more about the audit criteria on page 41.](#)

[Learn more about how we did this audit on page 38.](#)



Conclusion

We concluded that School District 43 (Coquitlam) had implemented a procurement framework that reflected the spirit and intent of the Core Policy and Procedures Manual (CPPM). We identified minor exceptions related to monitoring and evaluating contractor performance and having a policy in place to prevent contract amendments that could change the nature and intent of the original contract.

Background

School District 43 (Coquitlam) operates 70 schools (47 elementary, 14 middle, nine secondary), it enrolled nearly 35,000 students in 2024/25 and employed over 4,300 staff, including part-time and temporary positions, making it the third-largest district in B.C.

During the fiscal year that ended on June 30, 2025, the district had total expenses of about \$500 million. It spent about \$54 million (11 per cent) on goods and services.

The district's purchasing department – assistant director, manager, three senior buyers, two buyers and one purchasing clerk – supports departments with all purchases above \$3,000 and provides guidance to ensure compliance with the district's purchasing procedures. Competitive procurement processes for purchases over \$50,000 are coordinated by the purchasing team.

**~35,000
students**



**70
schools**



**+4,300
staff**



Findings and recommendations

Procurement framework

An up-to-date procurement policy – with roles, responsibilities, and procedures to guide staff – provides a framework to enable fair, open, and accountable procurement of goods and services.

The district’s procurement policy assigned responsibilities, was communicated to staff, and was up to date

What we looked for

We examined whether the Coquitlam school district had a documented procurement policy that was communicated to staff and identified who was responsible for procurement. We also looked at whether there was a process to ensure the procurement policy was up to date.

[Learn more about the audit criteria on page 41.](#)

What we found

The district had a clearly defined procurement policy, set out in its administrative procedures, outlining roles and responsibilities for procurement activities. The policy established different procurement methods based on the dollar value.

For example, departmental staff with budget expenditure authority could manage procurements below \$50,000, with support from the purchasing services department for procurements exceeding \$3,000.

Procurements over \$50,000 were required to be managed by the purchasing services department. The policy also specified signing authorities based on the value of the purchase. The procurement policy was published on the school district’s website, accessible to all staff.

The district had an administrative procedure requiring the office of the superintendent to review and update all policies on a regular basis. The district also has established clear ownership of policies and accountabilities for periodic review. Any identified updates are required to be communicated and discussed with the leadership team before implementation. The district most recently updated its procurement policy in November 2023.

Why this matters

The district’s procurement policy provides clarity to staff by setting out required procedures for procurement and roles and responsibilities. The process for reviewing and updating the policies ensures that required changes can be identified and incorporated in a timely manner.



Recommendation

We have no recommendation in this area.

Procurement planning

Proper planning is important to ensure that the procurement is necessary, the scope and value of the goods and services being acquired are defined, and that the proper procurement method is used.

The district's procurement planning policy and procedures supported fair and open procurement

What we looked for

We examined if the school district's procurement framework included a policy and procedures that considered:

- alternatives to new procurement;
- different solicitation methods; and
- applicable trade agreement requirements.

[Learn more about the audit criteria on page 41.](#)

What we found

The district's policy for procurement planning reflected the spirit and intent of the CPPM by supporting fair and open procurement. The policy required consideration of existing contracts or purchasing agreements before starting a new procurement, and it included supply arrangements with other school districts to achieve bulk discounts for high-volume or repeat purchases.

The policy also required compliance with all applicable interprovincial trade agreements and was developed using the New West Partnership Trade Agreement (NWPTA).

Why this matters

By considering alternatives to new procurement, such as existing supply arrangements and different solicitation methods based on purchase value, the district can save time and reduce costs. And by collaborating with other school districts on common purchases, the district may secure better pricing, terms, and ultimately help ensure public funds are used more efficiently.

The district followed the NWPTA when it developed its procurement policy, which also supports a fair, open, and non-discriminatory procurement process.

Recommendation

We have no recommendation in this area.



Solicitation phase

The solicitation phase of the procurement cycle is when the school district invites vendors to submit proposals or bids for the goods or services to be acquired. The process involves issuing solicitation documents, advertising opportunities, answering vendor questions and receiving bids to ensure a fair, and open selection process.

The district’s solicitation policy supported fair and open procurement

What we looked for

We examined whether the school district’s procurement framework included a policy and procedures that supported fair, open, and non-discriminatory practices, by requiring that:

- the same information was provided to all vendors;
- evaluation criteria, including any weightings, were disclosed; and
- vendors were provided sufficient time to respond.

We also examined whether the solicitation policy included requirements for posting on BC Bid or another method of obtaining multiple quotes or proposals; whether dollar thresholds aligned with the CPPM and relevant trade agreements; and whether the district had criteria for directly awarding contracts.

[Learn more about the audit criteria on page 41.](#)

What we found

We found that the district had a solicitation process that was fair, open and non-discriminatory.

The district’s solicitation policy established different solicitation methods based on dollar thresholds (see Table 1). This was consistent with trade agreement requirements, and with the CPPM.

Table 1: Administrative Procedure 514 Purchasing

Non-competitive purchases	
Less than \$50,000 but more than \$3,000	Two quotes needed.
Less than \$75,000 but more than \$50,000	Three quotes needed, with the option for a competitive process.
Competitive purchases	
Above \$75,000	BC Bid
Sole-source purchases	
Direct awards with no threshold	Rationale needs to be provided and approved by the secretary-treasurer or purchasing manager.

* Information within table sourced from AP 514 published on [AP 514, Coquitlam school district.](#)



We reviewed one example under each of the different dollar thresholds and confirmed that the school district followed the solicitation process outlined in its policy. The district considered existing contracts and used the prescribed solicitation methods to identify potential vendors.

For non-competitive purchases, the district selected vendors from pre-approved vendor lists and obtained quotes. For competitive procurements subject to public tender, the district posted the opportunities on BC Bid. They had clearly defined evaluation criteria and weightings, and they remained open for 25 days prior to closing.

The district's policy also set out requirements for direct awards. The purchase requisition we reviewed included documented rationale supporting the decision to directly award and was approved by the appropriate level of authority.

Why this matters

By having a fair, open and non-discriminatory solicitation policy and procedures, the school district can provide potential vendors with equal opportunities to compete which contributes to transparency, accountability, and public trust in procurement decisions.

Recommendation

We have no recommendation in this area.

Evaluation phase

In this phase, responses from vendors are reviewed and compared against pre-defined criteria contained in the solicitation documents to determine which response best meets the school district's requirements and objectives, ensuring a fair and transparent evaluation.

The district's evaluation policy supported a fair and open vendor selection process

What we looked for

We examined whether the school district's procurement framework included a policy and procedures for its evaluation process that required:

- the vendor selection process to be based on evaluation criteria disclosed in the solicitation document;
- the rationale for the ranking of all vendors to be documented; and
- an accessible and timely process for vendors to submit complaints about the selection process.

[Learn more about the audit criteria on page 41.](#)



What we found

We found that the district's procurement policy for the evaluation phase followed the spirit and intent of the CPPM.

We reviewed two examples: one procurement with a value of more than \$75,000, and one with a value of less than \$75,000. We confirmed that the district used the criteria published in its solicitation documents, completed an evaluation and scoring form to assess and rank all vendors, and selected the best-suited vendor with documented rationale to support the decision.

The solicitation documents outlined the vendor complaint process and issued regret letters to unsuccessful bidders, including a designated contact person for submitting questions or concerns.

Why this matters

Having a well-designed policy and procedures for the evaluation phase of a procurement helps the district to ensure fair, transparent, and consistent procurement decisions, which reduce legal, financial, operational and reputational risks.

Recommendation

We have no recommendation in this area.

Contract management phase

When a successful vendor is selected, a contract states the terms of the arrangement and authorizes the work. Contract performance should be monitored to ensure compliance with the agreed terms, and any issues or disputes should be managed in accordance with the contract's dispute resolution provisions.

Changes to the scope, schedule, or cost should be handled through formal contract amendments to maintain fairness and transparency.

At close-out, deliverables should be confirmed as complete, and any vendor performance issues should be documented for future reference.

The district's contract management policy had minor gaps related to contract amendments and contractor performance monitoring and evaluation

What we looked for

We examined whether the school district's procurement framework had a policy and procedures for contract management that included:

- a process to ensure contract templates were up to date;
- a process for contract amendments;
- a process for resolving contract disputes;



- a requirement for contracts to be in writing and signed by authorized representatives of the parties before services or goods were delivered;
- a process for monitoring a contractor's performance, including methods for communicating performance concerns; and
- a requirement for written evaluations of contractor performance at the end of the contract.

[Learn more about the audit criteria on page 41.](#)

What we found

We found that the district's contract management policy and procedures followed the spirit and intent of the CPPM, with minor exceptions.

The district did not have a formal process to regularly review and update its contract template. Updates were made on an ad hoc basis in consultation with external legal counsel, with the most recent update occurring in 2021 when the district started using BC Bid as its online bidding platform. The contract template did include a dispute resolution clause, and its policy covered contract amendments that involved changes in contract value. The district had a contract amendment form that needed to be reviewed and signed according to a dollar-based authority grid.

However, we noted that the policy did not address amendments that could alter the nature or intent of the original contract.

The district's procurement policy required all procurement over \$3,000 (and not done with a purchase card) to be completed through a procurement process that resulted in a purchase order (PO) or formal contract. The policy specified that POs function as the district's contract and must include defined terms and conditions, and to be signed in advance by authorized representatives. It also prohibits the use of contract extensions to circumvent the procurement process.

We reviewed one contract and confirmed that it was signed by the appropriate parties prior to the delivery of goods and services. The contract complied with policy and did not include renewal or extension options.

The contract followed the district's standard template and, while the contract template tied payment to satisfactory performance, there was no clear process or guidance for monitoring the contractor's performance and performing post-contract evaluation. For the contract we reviewed, there was no documentation for contract monitoring and post-contract evaluation.

Why this matters

Without a defined process for updating contract templates – including clear roles, responsibilities, and methods for identifying and addressing changes – contracts may not reflect current legal or trade agreement requirements and could raise legal and financial risks.

The district's process for value-based contract amendments supported fairness and risk management, but it did not address changes that could alter the contract's nature or intent. Amendments that change a contract substantially from the original opportunity that was presented during the solicitation phase are contrary to the principles of fair and open procurement and create legal risk.



As the district did not monitor contractor performance and complete post-contract evaluations, there's a risk that it may not have received the quality of goods or services contracted for. It's also at risk of repeating business with vendors who were not accountable or who did not provide the agreed upon goods or services.

Recommendations

We recommend School District No. 43 (Coquitlam):

- 1.** Implement a formal review process to ensure contract templates are up to date.
- 2.** Update the procurement policy to ensure a contract amendment does not change the nature or intent of the original contract.
- 3.** Update the procurement policy to ensure the staff complete contractor performance monitoring and post-contract evaluations.

See the response from the auditee on page 39.



About the audit

We conducted this audit under the authority of Section 11(8) of the *Auditor General Act* and in accordance with the Canadian Standard on Assurance Engagements (CSAE) 3001—Direct Engagements, set out by the Chartered Professional Accountants of Canada (CPA Canada) in the CPA Canada Handbook—Assurance. These standards require that we independently express a conclusion about whether the subject matter complies in all significant respects with the audit criteria.

A direct audit involves understanding the subject matter to identify areas of significance and risk and relevant controls. This understanding is used as the basis for designing and performing audit procedures to obtain evidence on which to base the audit conclusion. The work we conducted provides a reasonable level of assurance in accordance with the standards.

The audit procedures we conducted included inquiry with School District No. 43 (Coquitlam) staff, inspection of the procurement policy, and inspection of procurement documents during the audit period to see if the policy was implemented as designed.

In accordance with our audit process, we obtained the following from School District No. 43 (Coquitlam):

- confirmation of management’s responsibility for the subject under audit;
- acknowledgment of the suitability of the criteria used in the audit;
- confirmation that they have provided all known information that the auditors have requested, or that could affect the findings or audit conclusion; and
- confirmation that the audit report is factually accurate.

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Our office applies the Canadian Standard on Quality Management (CSQM 1), and in conducting this work we have complied with the independence and other ethical requirements of the code of professional conduct issued by the Chartered Professional Accountants of British Columbia that are relevant to this audit.

Audit report date: June 1, 2026



Bridget Parrish, CPA, CA
Auditor General of British Columbia
Victoria, B.C.



Appendix A: Recommendations and auditee response

We recommend that School District No. 43 (Coquitlam):

Recommendation 1: Implement a formal review process to ensure contract templates are up to date.

Recommendation 1 Response: Management agrees with the recommendation. The District has historically reviewed and updated contract templates on an as-needed basis in consultation with internal stakeholders and legal counsel; however, a more formalized review process will be established to ensure templates remain current, consistent, and aligned with evolving legislative or legal requirements. This process will include consideration of material legal or regulatory changes that may necessitate updates.

Recommendation 2: Update the procurement policy to ensure a contract amendment does not change the nature or intent of the original contract.

Recommendation 2 Response: Management agrees with the recommendation. Existing procurement practices generally require review of significant contract amendments and change orders; however, the Procurement Administrative Procedure document will be updated to further clarify expectations and escalation requirements where amendments may materially alter the original scope, nature, intent, or value of a contract.



Recommendation 3: Update the procurement policy to ensure staff complete contractor performance monitoring and post-contract evaluations.

Recommendation 3 Response: Management agrees with the recommendation. The District will strengthen consistency in contractor performance monitoring by developing practical guidance with operational departments, to support contract oversight, issue escalation, contract close-out, and post-contract evaluation. In recognition of the volume and varying nature of contracts across the District, a standardized approach to monitoring and evaluating all contracts is not practical or proportionate. Accordingly, the District will apply a risk-based approach, focusing on contracts that are high value, complex, operationally critical, or where poor performance could have a significant impact on operations, financial stewardship, safety, or service delivery.



Appendix B: Audit criteria

Procurement framework

- 1.1 The procurement policy and related procedures identify who is responsible for procurement.
- 1.2 The procurement policy and related procedures are documented and communicated to staff.
- 1.3 There is a process to ensure the procurement policy is up to date.

Procurement planning

- 2.1 The procurement policy and related procedures include consideration for alternatives to new procurement.
- 2.2 The procurement policy and related procedures consider different solicitation methods.
- 2.3 The procurement policy and related procedures consider applicable trade agreement requirements.

Solicitation phase

- 3.1 The solicitation process is documented.
- 3.2 The documented solicitation process is fair, open and non-discriminatory, by requiring that:
 - 3.2.1: the same information is provided to all vendors
 - 3.2.2: evaluation criteria, including any weightings, are disclosed
 - 3.2.3: vendors are provided with sufficient time to submit responses
- 3.3 The documented solicitation process includes requirements for posting on BC Bid or another method for obtaining multiple quotes or proposals, as directed by applicable trade agreements.
- 3.4 Thresholds used for solicitations are aligned with the CPPM.
- 3.5 The procurement policy and related procedures include criteria under which a direct award can be issued.

Evaluation phase

- 4.1 The vendor selection process is based on the evaluation criteria disclosed in the solicitation document.
- 4.2 There is a requirement to document the rationale for the ranking of all vendors.
- 4.3 There is an accessible and timely process for vendors to submit complaints regarding vendor selection process.



Contract management phase

- 5.1** The solicitation process is documented.
- 5.2** Contracts must be in writing and signed by authorized representatives of the parties before services or goods are delivered.
- 5.3** There is a documented process for monitoring a contractor's performance, including methods for communicating performance concerns.
- 5.4** There is a documented process for resolving contract disputes.
- 5.5** There is a documented process regarding contract amendments, including requirements that:
 - 5.5.1:** contract amendments must not change the nature and intent of the original contract
 - 5.5.2:** contract amendments that result in the maximum contract amount being exceeded should include consideration for whether a new procurement is required
 - 5.5.3:** contract amendments must be in writing and approved by an expense authority and signed by an authorized representative
 - 5.5.4:** contracts must not include options to extend or renew, or multi-year terms, unless specified in any applicable solicitation document
- 5.6** The procurement framework requires a written evaluation of contractor performance at the end of the contract.

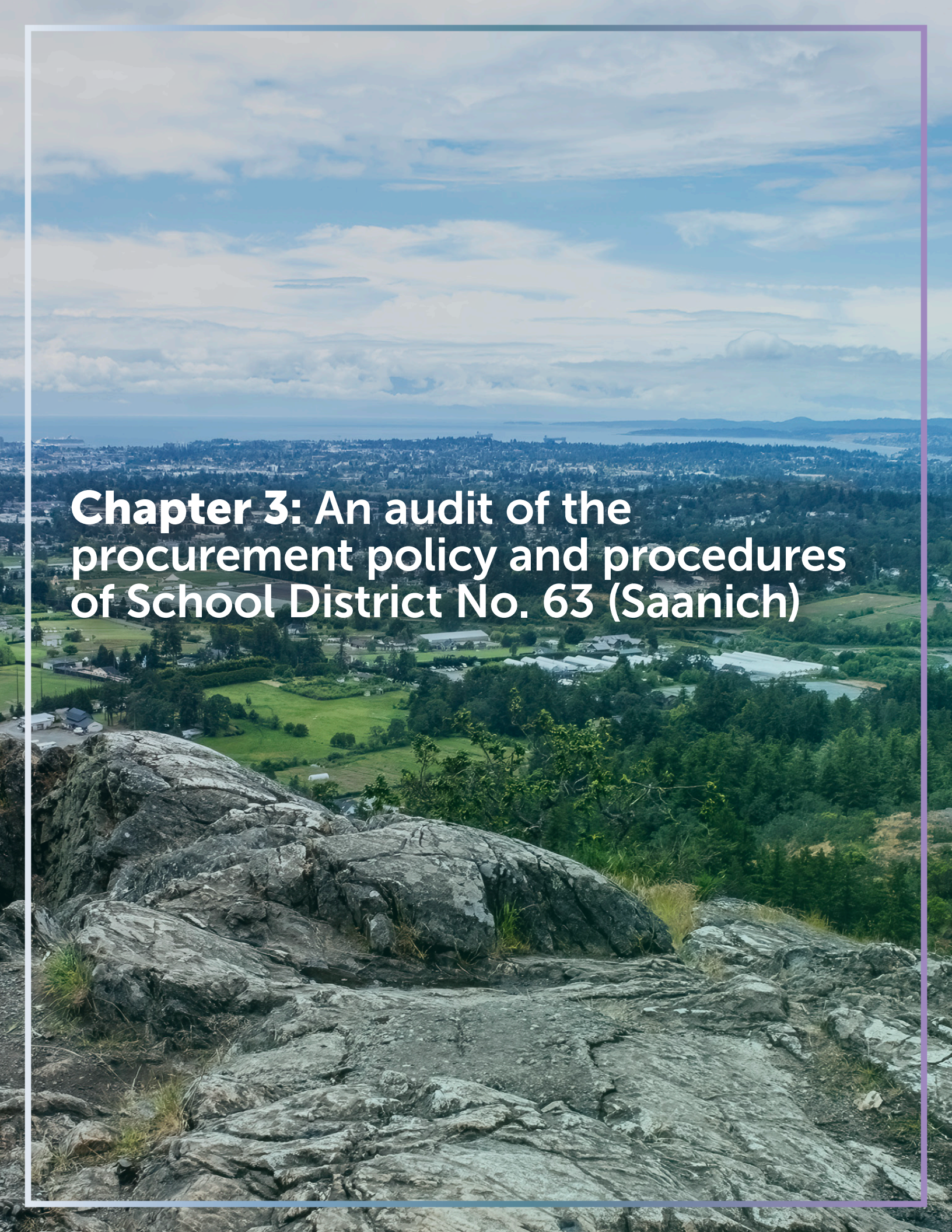
Audit team

Lisa Moore, CPA, CA,
Assistant Auditor General

YiLing Miao, CPA, CA, CIA
Engagement Leader

Max Gillis, CPA,
Engagement Manager





Chapter 3: An audit of the procurement policy and procedures of School District No. 63 (Saanich)

Objective

The objective of the audit was to determine if School District No. 63 (Saanich) implemented a procurement framework that reflected the spirit and intent of the Province of B.C.'s Core Policy and Procedures Manual.

Scope

We audited School District No. 63 (Saanich) to see if its procurement policy and procedures established a procurement framework that reflected the spirit and intent of the Core Policy and Procedures Manual, Chapter 6.

This audit focused on the district's procurement of goods and services. We also examined a selection of procurements to see how the school district applied its procurement policy and procedures in practice.

The audit period was from July 1, 2024 to Oct. 31, 2025.

[Learn more about the audit criteria on page 58.](#)

[Learn more about how we did this audit on page 53.](#)



Conclusion

We concluded that School District No. 63 (Saanich) did not implement a procurement framework that reflected the spirit and intent of the Core Policy and Procedures Manual. While the school district had incorporated elements of the CPPM into its procurement policy, it had gaps that included:

- not having a vendor complaint process;
- not requiring the use of a standard contract template, and not requiring contracts to be signed before goods and services were delivered; and
- not providing guidance for monitoring and reporting on contractor performance, resolving contract disputes, or amending contracts.

We found that some of the district's practices did not follow policy. Most notably, the district did not consistently use a competitive process for procuring goods and services worth between \$25,000 and \$75,000, which did not follow its solicitation and vendor evaluation policies or support fair and open procurement.

Background

School District 63 operates 14 schools (eight elementary, three middle, three secondary), it enrolled nearly 8,000 students in 2024/25 and employed more than 1,300 staff, including part-time and temporary positions.

During the fiscal year that ended on June 30, 2025, the district had total expenses of about \$130 million. It spent about \$18 million (13 per cent) on goods and services.

The district's purchasing is largely decentralized. Schools and departments buy items according to their needs, with the approval and payment process centralized at the district office. The director of finance and secretary-treasurer are responsible for planning, managing, and documenting procurement processes.

**~8,000
students**



**14
schools**



**+1,300
staff**



Findings and recommendations

Procurement framework

An up-to-date procurement policy – with roles, responsibilities, and procedures to guide staff – provides a framework to enable fair, open, and accountable procurement of goods and services.

The district's procurement policy assigned responsibilities, was communicated to staff, and was up to date

What we looked for

We examined whether the Saanich school district had a documented procurement policy that was communicated to staff and identified who was responsible for procurement. We also looked at whether there was a process to ensure the procurement policy was up to date.

[Learn more about the audit criteria on page 58.](#)

What we found

The district had a documented procurement policy that was communicated to staff and identified who was responsible for procurement. The director of finance was responsible for managing and fully documenting the processes, policies, and procedures used to acquire goods and services.

The district's policy required the superintendent to ensure all policies remain current and appropriately involve individuals and groups in the policy development process. The executives would meet weekly to review and approve any policy changes. There was no update made specifically on procurement policy during our audit period and the most recent update was done in September 2023.

Why this matters

The district's procurement policy provided clarity to staff by setting out required procedures for procurement and roles and responsibilities. The process for reviewing and updating the policies ensures that required changes can be identified and incorporated in a timely manner.

Recommendation

We have no recommendation in this area.



Procurement planning

Proper planning is important to ensure that the procurement is necessary, the scope and value of the goods and services being acquired are defined, and that the proper procurement method is used.

The district's procurement planning policy and procedures supported fair and open procurement

What we looked for

We examined if the school district's procurement framework included a policy and procedures that considered:

- alternatives to new procurement;
- different solicitation methods; and
- applicable trade agreement requirements.

[Learn more about the audit criteria on page 58.](#)

What we found

The district's policy for procurement planning reflected the spirit and intent of the CPPM and supported fair and open procurement. The policy considered alternatives to new procurements. The district had a supply arrangement with other southern Vancouver Island school districts for bulk discounts on office and teaching supplies (the purchasing category with the highest volume of repeat purchases).

The policy (see Table 1) included different solicitation methods based on dollar thresholds.

Table 1: Administrative Procedures 515 Purchasing

Purchase amount	Solicitation method
Purchases of up to \$20,000	Best price effort to the extent deemed reasonable.
Purchases between \$20,000 and \$75,000	Written request for quotations (RFQ) or request for proposals (RFP).
Purchases over \$75,000	Public invitation to tender (BC Bid).

* Information within table sourced from AP 515 published on [AP 515, Saanich schools districts.](#)

The policy also required compliance with all applicable interprovincial trade agreements and was developed using the New West Partnership Trade Agreement (NWPTA).

Why this matters

The district's policy considered alternatives to new procurement, such as existing supply arrangements, and different solicitation methods based on purchase value. Because of this, it could save time and reduce costs.



By collaborating with other school districts on common purchases, the district may secure better pricing and terms and ultimately help ensure public funds are used efficiently.

The district followed the NWPTA when it developed its procurement policy, supporting a fair, open, and non-discriminatory procurement process.

Recommendations

We have no recommendation in this area.

Solicitation phase

The solicitation phase of the procurement cycle is when the school district invites vendors to submit proposals or bids for the goods or services to be acquired. The process involves issuing solicitation documents, advertising opportunities, answering vendor questions and receiving bids to ensure a fair, and open selection process.

The district's solicitation policy supported fair and open procurement, but it applied its policy inconsistently

What we looked for

We examined whether the school district's procurement framework included a policy and procedures that supported fair, open, and non-discriminatory practices, by requiring that:

- the same information was provided to all vendors;
- evaluation criteria, including any weightings, were disclosed; and
- vendors were provided sufficient time to respond.

We also examined whether the solicitation policy included requirements for posting on BC Bid or another method of obtaining multiple quotes or proposals; whether dollar thresholds aligned with the CPPM and relevant trade agreements; and whether the district had criteria for directly awarding contracts.

[Learn more about the audit criteria on page 58.](#)

What we found

The district's procurement framework included a policy for the solicitation phase that supported fair, open and non-discriminatory practices. The policy followed the spirit and intent of the CPPM and reflected trade agreement requirements. However, we reviewed a selection of procurements of goods and services and noted that the school district did not consistently follow its policy.

For purchases between \$20,000 and \$75,000, the district's procurement policy required staff to issue a written request for quotes (RFQ) to solicit quotes from vendors, a practice supporting a fair, open and non-discriminatory solicitation process for all vendors.

However, we found that the school district did not follow this policy in practice. We reviewed one procurement that fell within the \$20,000 to \$75,000 range and noted that no written RFQ had been



issued by the district. Instead, the district used a "Purchases over \$20,000 form." The form required documentation of the specific details of the purchase, the quotes, and the final decision.

From our review, the documentation supporting this procurement was inadequate as it only included the names of all the possible vendors and not the actual quotes that the district evaluated. And there was no documentation to show that the district had provided the same information to all vendors, including evaluation criteria, or that it gave vendors enough time to respond.

We reviewed one procurement over \$75,000 and noted that a written RFQ was issued on BC Bid, as required by policy. The district followed its solicitation requirements. It issued a public invitation to tender for procurements and advertised the opportunity to potential vendors.

We verified that the same information was provided to all vendors, the evaluation criteria was disclosed, and vendors had sufficient time to respond, which was all required by policy.

The district's policy also required staff to complete a justification form that must be approved by the secretary-treasurer before directly awarding a contract. We reviewed one directly awarded contract and found that the required form was completed and included the rationale supporting the decisions. It was approved by the secretary-treasurer.

Why this matters

The district's policy and procedures for soliciting procurements valued at more than \$75,000 (i.e., using BC Bid) helped ensure that all potential vendors had an equal opportunity to compete. This supported fair, open, and non-discriminatory practices that contribute to transparency, accountability, competition, and public trust in procurement decisions.

However, because the district did not follow its policy to solicit and document quotes from vendors for procurements valued between \$20,000 and \$75,000, there was increased risk of inconsistent and unfair decision making, reduced transparency, and possibly damaged relationships with vendors.

Recommendation

We recommend that School District No. 63 (Saanich):

1. Ensure staff follow its solicitation policy for procurements between \$20,000 and \$75,000.

[See the response from the auditee on page 54.](#)

Evaluation phase

In this phase, responses from vendors are reviewed and compared against pre-defined criteria contained in the solicitation documents to determine which response best meets the school district's requirements and objectives, ensuring a fair and transparent evaluation.

The district's evaluation policy did not support a fair and open vendor selection process



What we looked for

We examined whether the school district's procurement framework included a policy and procedures for its evaluation process that required:

- the vendor selection process to be based on evaluation criteria disclosed in the solicitation document;
- the rationale for the ranking of all vendors to be documented; and
- an accessible and timely process for vendors to submit complaints about the selection process.

[Learn more about the audit criteria on page 58.](#)

What we found

We found that the district's procurement policy for the evaluation phase did not support a fair and open vendor selection process for procurements between \$20,000 and \$75,000, and it did not include a process for vendors to submit complaints regarding the process.

For procurements valued between \$20,000 and \$75,000, the district's policy stated that contracts were to be awarded based on best value offered for the specific goods or services. Although the policy provided guidance on factors to consider in determining best value, it did not require the evaluation to be completed using criteria that were disclosed to all interested vendors, or that the selection rationale be documented.

We examined one procurement in this price category. The district's documentation indicated that it had considered three vendors. However, only the vendor names were recorded. A generic justification was provided for the selected vendor, but the district did not document the three quotes it had received.

We found that the policy supported fair and open vendor selection for procurements over \$75,000, by requiring evaluations to be based on the criteria disclosed in the solicitation document. We reviewed one purchase valued at over \$75,000 and confirmed that the district used the criteria published on BC Bid to evaluate the bids, completed an evaluation and scoring form to assess and rank all vendors, and selected the best-suited vendor with documented rationale to support the decision.

Why this matters

A well-defined evaluation process is critical for ensuring fair, transparent, and consistent procurement decisions. The district's evaluation process supported an objective comparison of all bids against clearly established criteria, reducing legal, financial, operational and reputational risk and promoting accountability for purchases over \$75,000.

However, a lack of documentation for purchases between \$20,000 and \$75,000 increased the risk of cost inefficiencies and reduced transparency. Without documented quotes and clear support for vendor selection, staff could not demonstrate that the process complied with district policies.

Additionally, not having a vendor complaint process can reduce confidence in the integrity of the school district's procurement processes and reduce the district's ability to identify opportunities to improve fairness and transparency.



Recommendations

We recommend that School District No. 63 (Saanich):

2. Ensure vendor selection for procurements between \$20,000 and \$75,000 is based on the evaluation criteria disclosed during solicitation.
3. Ensure there is sufficient documentation to support the rationale for the ranking of all vendors.
4. Update its procurement policy to include an accessible and timely process for vendors to submit complaints about the vendor selection process.

[See the response from the auditee on page 54.](#)

Contract management phase

When a successful vendor is selected, a contract states the terms of the arrangement and authorizes the work. Contract performance should be monitored to ensure compliance with the agreed terms, and any issues or disputes should be managed in accordance with the contract's dispute resolution provisions.

Changes to the scope, schedule, or cost should be handled through formal contract amendments to maintain fairness and transparency.

At close-out, deliverables should be confirmed as complete, and any vendor performance issues should be documented for future reference.

The district's contract management policy did not support fair and open procurement

What we looked for

We examined whether the school district's procurement framework had a policy and procedures for contract management that included:

- a process to ensure contract templates were up to date;
- a process for contract amendments;
- a process for resolving contract disputes;
- a requirement for contracts to be in writing and signed by authorized representatives of the parties before services or goods were delivered;
- a process for monitoring a contractor's performance, including methods for communicating performance concerns; and
- a requirement for written evaluations of contractor performance at the end of the contract.

[Learn more about the audit criteria on page 58.](#)



What we found

We found that the district's contract management policy and procedures did not reflect the spirit and intent of the CPPM and did not support fair and open procurement.

The school district had a contract template but did not use it for its intended purpose. There was no formal process to ensure the contract template was up to date. The district developed and modified contracts on a case-by-case basis which resulted in inconsistencies. The district did not enter many contracts and there was only one during our audit period.

The district lacked a process to guide contract amendments. While the policy included a statement that any contract disputes must be dealt with in a just, prompt, and cost-effective manner, there was no formal process or guidance in place for resolving disputes.

Further, the district's policy did not require contracts to be signed before services or goods were provided. We examined the one contract in place during the audit period, and it was not signed before services commenced.

We also found that although the district's policy required contractor performance to be monitored, evaluated, and reported internally, there was no documentation required in practice. For the contract we examined, the district had processes in place to monitor the contractor's performance. However, there was no documentation to support the on-going monitoring. There was also no post-contract evaluation performed.

Why this matters

Because the school district's contract management policy and procedures do not reflect the spirit and intent of the CPPM, there could be financial, legal, and operational risks.

Contract templates should be standardized and kept up to date. They should include dispute resolution and contract amendment processes. Written and authorized agreements should be signed prior to delivery. Performance monitoring and post-contract evaluations should be documented. The lack of these can result in inconsistent contract administration and limited oversight of contractor performance. It can also weaken assurance that procurement activities are fair, transparent, and accountable.

Recommendations

We recommend that School District No. 63 (Saanich):

5. Implement a formal review process to ensure contract templates are up to date.
6. Update its policy to include a process to guide contract disputes and contract amendments.
7. Update its policy to require contracts to be in place before services or goods are delivered.
8. Document contractor performance monitoring and post-contract evaluations.

[See the response from the auditee on page 54.](#)



About the audit

We conducted this audit under the authority of Section 11(8) of the *Auditor General Act* and in accordance with the Canadian Standard on Assurance Engagements (CSAE) 3001—Direct Engagements, set out by the Chartered Professional Accountants of Canada (CPA Canada) in the CPA Canada Handbook—Assurance. These standards require that we independently express a conclusion about whether the subject matter complies in all significant respects with the audit criteria.

A direct audit involves understanding the subject matter to identify areas of significance and risk and relevant controls. This understanding is used as the basis for designing and performing audit procedures to obtain evidence on which to base the audit conclusion. The work we conducted provides a reasonable level of assurance in accordance with the standards.

The audit procedures we conducted included inquiry with School District No. 63 (Saanich) staff, inspection of the procurement policy, and inspection of procurement documents during the audit period to see if the policy was implemented as designed.

In accordance with our audit process, we obtained the following from School District No. 63 (Saanich):

- confirmation of management’s responsibility for the subject under audit;
- acknowledgment of the suitability of the criteria used in the audit;
- confirmation that they have provided all known information that the auditors have requested, or that could affect the findings or audit conclusion; and
- confirmation that the audit report is factually accurate.

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Our office applies the Canadian Standard on Quality Management (CSQM 1), and in conducting this work we have complied with the independence and other ethical requirements of the code of professional conduct issued by the Chartered Professional Accountants of British Columbia that are relevant to this audit.

Audit report date: June 1, 2026



Bridget Parrish, CPA, CA
Auditor General of British Columbia
Victoria, B.C.



Appendix A: Recommendations and auditee response

We recommend that School District No. 63 (Saanich):

Recommendation 1: Ensure staff follow its solicitation policy for procurements between \$20,000 and \$75,000.

Recommendation 1 Response: The District agrees with this recommendation. As procurements in this category are infrequent and represent only \$2.6 million or 2% of total annual expenditures, the District has adopted a risk-based, decentralized purchasing approach to ensure that purchasing decisions are made by those with the most direct knowledge of operating needs while minimizing our administrative costs. In order for this approach to function effectively, the associated processes must be practical, efficient and proportionate to the level of risk. For these purchases, the District considers it appropriate for staff to document their solicitation efforts using a simplified *Purchases Over \$20,000 Form*, rather than requiring a formalized written RFQ process. The District recognizes the opportunity to strengthen documentation and will update the *Purchases Over \$20,000 Form* to include some of the recommendations in this area such as improving instructions to staff on providing a minimum response time for vendors, using prescribed evaluation criteria communicated to vendors during solicitation, recording the dollar value of quote responses and providing rationale for the final selection. This District also intends to revise the administrative procedure to more accurately reflect the intended process as described above for purchases between \$20,000 and \$75,000. The District believes this approach appropriately balances control, accountability and operational efficiency given the lower level of risk associated with these procurements.



Recommendation 2: Ensure vendor selection for procurements between \$20,000 and \$75,000 is based on the evaluation criteria disclosed during solicitation.

Recommendation 2 Response: The District agrees with this recommendation. We plan to amend our *Purchases Over \$20,000 form* to provide prescribed evaluation criteria (30% educational/operation need and quality, 40% price, 30% delivery timeline) to be communicated to vendors during solicitation.

Recommendation 3: Ensure there is sufficient documentation to support the rationale for the ranking of all vendors.

Recommendation 3 Response: The District agrees with this recommendation. The District recognizes the opportunity to strengthen documentation and will update the *Purchases Over \$20,000 Form* to include more guidance regarding documentation to support the rationale for the ranking of all vendors and for the final selection.

Recommendation 4: Update its procurement policy to include an accessible and timely process for vendors to submit complaints about the vendor selection process.

Recommendation 4 Response: The District agrees with this recommendation. The District has a complaints procedure on our website that is applicable for all complaints, including complaints from vendors. We will amend the purchasing procedure to reference our existing procedure for complaints.



Recommendation 5: Implement a formal review process to ensure contract templates are up to date.

Recommendation 5 Response: The District agrees with this recommendation in principle. The District signs less than 30 contracts each year and these contracts are not homogeneous. As a result, the benefit of implementing a formal process to maintain templates applicable for different scenarios does not outweigh the additional administrative cost. However, the district will maintain a single generic template that will be reviewed periodically and revised when:

- there are relevant legislative or policy changes,
- we become aware of issues as the template is used, and
- there are material changes in operations or procurement practice.

Recommendation 6: Update its policy to include a process to guide contract disputes and contract amendments.

Recommendation 6 Response: The Saanich School District agrees with this recommendation. The District will update the procurement procedure to include a process to guide contract disputes and contract amendments.

Recommendation 7: Update its policy to require contracts to be in place before services or goods are delivered.

Recommendation 7 Response: The Saanich School District agrees that contracts should be in place before services are provided. The District will update the procurement procedure to include a requirement that contracts be in place before services or goods are delivered, unless there are urgent safety issues or operational needs affecting service delivery for students. In those cases, email authorization to proceed without contract will be required from the Secretary Treasurer prior to services or goods are delivered.



Recommendation 8: Document contractor performance monitoring and post-contract evaluations.

Recommendation 8 Response: The Saanich School District does not agree with this recommendation. Given the District's size, service contract procurement volume and decentralized operating model, contractor performance is measured through direct oversight by responsible staff and school administrators who work closely with vendors during contract delivery. This allows for real time assessment and issue resolution. The District's approach to vendor performance is primarily reflected in future procurement decisions. Contractors that do not meet expectations are not invited to participate in future work. This informal but practical feedback loop is considered effective within the District's operating context. The District believes its current approach appropriately balances oversight, accountability and operational efficiency. Formal documentation of contractor performance may be considered in the future on a case-by-case basis for higher risk or higher value contracts.



Appendix B: Audit criteria

Procurement framework

- 1.1 The procurement policy and related procedures identify who is responsible for procurement.
- 1.2 The procurement policy and related procedures are documented and communicated to staff.
- 1.3 There is a process to ensure the procurement policy is up to date.

Procurement planning

- 2.1 The procurement policy and related procedures include consideration for alternatives to new procurement.
- 2.2 The procurement policy and related procedures consider different solicitation methods.
- 2.3 The procurement policy and related procedures consider applicable trade agreement requirements.

Solicitation phase

- 3.1 The solicitation process is documented.
- 3.2 The documented solicitation process is fair, open and non-discriminatory, by requiring that:
 - 3.2.1: the same information is provided to all vendors
 - 3.2.2: evaluation criteria, including any weightings, are disclosed
 - 3.2.3: vendors are provided with sufficient time to submit responses
- 3.3 The documented solicitation process includes requirements for posting on BC Bid or another method for obtaining multiple quotes or proposals, as directed by applicable trade agreements.
- 3.4 Thresholds used for solicitations are aligned with the CPPM.
- 3.5 The procurement policy and related procedures include criteria under which a direct award can be issued.

Evaluation phase

- 4.1 The vendor selection process is based on the evaluation criteria disclosed in the solicitation document.
- 4.2 There is a requirement to document the rationale for the ranking of all vendors.
- 4.3 There is an accessible and timely process for vendors to submit complaints regarding vendor selection process.



Contract management phase

- 5.1** The solicitation process is documented.
- 5.2** Contracts must be in writing and signed by authorized representatives of the parties before services or goods are delivered.
- 5.3** There is a documented process for monitoring a contractor's performance, including methods for communicating performance concerns.
- 5.4** There is a documented process for resolving contract disputes.
- 5.5** There is a documented process regarding contract amendments, including requirements that:
 - 5.5.1:** contract amendments must not change the nature and intent of the original contract
 - 5.5.2:** contract amendments that result in the maximum contract amount being exceeded should include consideration for whether a new procurement is required
 - 5.5.3:** contract amendments must be in writing and approved by an expense authority and signed by an authorized representative
 - 5.5.4:** contracts must not include options to extend or renew, or multi-year terms, unless specified in any applicable solicitation document
- 5.6** The procurement framework requires a written evaluation of contractor performance at the end of the contract.

Audit team

Lisa Moore, CPA, CA,
Assistant Auditor General

YiLing Miao, CPA, CA, CIA
Engagement Leader

Shafir Sawilla, CPA,
Engagement Leader

Grace Chao, CPA,
Engagement Manager





Office of the
Auditor General
of British Columbia

Location

623 Fort Street
Victoria, British Columbia
Canada V8W 1G1

Office Hours

Monday to Friday
8:30 a.m. – 4:30 p.m.

Telephone: 250-419-6100

Toll-free through Enquiry BC: 1-800-663-7867

In Vancouver: 604-660-2421

Email: bcauditor@bcauditor.com

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