

Purchasing Policy

University Policy No.: FM5105
Classification: Financial Management
Approving Authority: Board of Governors
Effective Date: August 2017
Supersedes: December 2016
Last Editorial Change:
Mandated Review: August 2024

Associated Procedures: Purchasing Procedures

PURPOSE

- 1.00 The purpose of this policy is to set out the responsibilities and accountability associated with the purchase of goods and services at the University of Victoria (“the university”).

DEFINITIONS

- 2.00 “Affiliated Entities” means corporations, societies, trusts and foundations affiliated with the university, that have agreed to operate under this policy.
- 3.00 “Delegate” means a unit, department or person that has been delegated responsibility for acquiring goods and services at the university.
- 4.00 “Exempted Goods and Services” are goods and services that are not subject to competitive public procurement practices due to trade agreement exemptions.
- 5.00 “Purchase” means the acquisition of goods and services in exchange for money or a contract assuring payment.
- 6.00 “Restricted Goods and Services” are certain goods and services that require additional technical approval or other review from a designated approving department to ensure they comply with internal university standards.

SCOPE

- 7.00 This policy applies to purchases, from all funding sources, conducted by all faculty and staff at the University of Victoria and Affiliated Entities.

POLICY

Guiding Principles

- 8.00 Procurement at the university is, first and foremost, in service of the public good. All acquisition of goods and services at the university will be conducted in accordance with the following principles. Procurement activities will:
- a. Be conducted in a fair, transparent, and equitable way, to ensure open competition and accountability.
 - b. Comply with all legal obligations, trade agreements, funding agency requirements, policies and regulations that apply to the university and/or its Affiliated Entities.
 - c. Provide responsible optimization of resources by obtaining the best value, using sustainable stewardship practices in concordance with life cycle assessments and triple bottom line considerations that recognize financial, social and environmental impacts of purchases.
 - d. Be carried out ethically, following established professional public procurement practices, and avoiding conflicts of interest.

Delegation

- 9.00 The Purchasing Services Department is delegated responsibility and authority for the purchase of goods and services for all university academic and administrative units and Affiliated Entities, except as exempted in this policy.
- 10.00 The Vice-President Finance and Operations may designate Restricted Goods and Services. The Vice-President Finance and Operations may delegate purchasing responsibilities to additional departments or units to manage procurement of Exempted Goods and Services or items assigned Excluded Ordering Responsibility. This delegation must be in writing.
- 11.00 Delegates are required to comply with all the principles stated in this policy.
- 12.00 Delegates are encouraged to engage the expertise and services of Purchasing Services, who are available to assist in sourcing requirements through established processes and methods

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Purchasing Procedures

Procedural Authority: Vice President Finance & Operations Effective Date: August 2017
Supersedes: New
Procedural Officer: Director, Purchasing Services Last Editorial Change:

Parent Policy: Purchasing Policy (FM5105)

PURPOSE

- 1.00 To outline process and procedures associated with the procurement of goods and services.

DEFINITIONS

- 2.00 The definitions in the Purchasing Policy apply to these procedures as well. In addition:
- 3.00 “Competition” means a publicly advertised competitive process that allows for more than one potential supplier to offer goods or services.
- 4.00 “Construction” means a construction, reconstruction, demolition, repair or renovation of a building, structure or other civil engineering or architectural work and includes site preparation, excavation, drilling, seismic investigation, the supply of products and material

GENERAL GUIDELINES

- 8.00 The purchase of goods and services should be undertaken in a fair, open and competitive manner. The complexity of procurement methods is dependent on acquisition associated risks, costs, and triple bottom line impacts. The final determination of sourcing and procurement methods is at the discretion of Purchasing Services, or the Delegate, as indicated in the Purchasing Policy FM5105.
- 9.00 The procurement process at the University of Victoria will be carried out with honesty, integrity, and professionalism, including the following:
- a. Avoidance of any apparent or perceived conflict of interest;
 - b. Protection of confidential or sensitive information, including compliance with the Freedom of Information and Protection of Privacy Act, the Protection of Privacy Policy (GV0235), the Information Security Policy (IM7800), and the Records Management Policy (IM7700);
 - c. Gifts and gratuities of a substantial nature, that could be perceived as being given with the intent of influencing decision-making, must not be accepted from existing or potential suppliers;
 - d. Requestors and Evaluators must not make commitments or indications of preference to potential suppliers in the course of the procurement process;
 - e. Purchasing Officers will abide by the Supply Chain Management Association of Canada's Code of Ethics;
 - f. Suppliers are expected to abide by the university Supplier Code of Conduct [TBD].

ORDER INITIATION

- 10.00 Requestors must obtain all necessary approvals, and follow all applicable procedures herein, before any service is rendered, or materials delivered.
- 11.00 A Requestor generally initiates a purchase by completing an approved purchase requisition,

below

Chart 1 – Competitive Threshold Chart

Goods and Services

Transaction Amount	Competition Level:	Process
\$75,000 and over	x Public Competition, or x Direct Award* with Notice of	

\$15,001 to \$99,999	x <u>Optional</u> Public Competition, or x	
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15.00 Competition Levels:

- a. Public Competition

EVALUATION AND AWARD

- 16.00 Evaluators must evaluate responses to an RFX fairly, objectively, consistently, and completely, in accordance with evaluation and conflict of interest guidelines.
- 17.00 Upon approval of an award recommendation, negotiations with the lead respondent may be conducted. Once a contract has been awarded and executed, unsuccessful respondents will be informed and offered a debriefing.
- 18.00 Upon successful award to a supplier, the Requestor must submit a purchase requisition in order to document approval(s), allowing Purchasing Services (or the Delegate) to commit the university to the purchase.
- 19.00 Upon receipt of a purchase requisition with all required approvals, Purchasing Services will either:
 - a. Issue an approved purchase order,
 - b. Purchase the item directly from the supplier with a commercial credit card,
 - c. Issue a standing agreement allowing for multiple purchases at the quoted price, or
 - d. Order under an existing standing agreement.

CONTRACTS AND AGREEMENTS

Standing Agreements

- 20.00 Purchasing Services may enter into standing agreements (“AGR”s) on behalf of the university, or at the request of a department, for supply of goods and services over multiple years. These agreements should be reviewed by the Requestor at regular intervals, and may not exceed five years without review.
- 21.00 AGRs may result in the supplier status being one of:
 - a. Preferred Supplier: the university may negotiate non-exclusive supply agreements with a particular supplier. The university community is not required to use these suppliers exclusively.
 - b. Exclusive Supplier: the university may negotiate exclusive supply rights with a particular supplier. Orders for that particular type of product must be placed with the specified supplier for the term of the contract.

As an added value, Preferred or Exclusive Suppliers may offer employees approved discounts for items of personal use.

- 22.00 AGRs must be authorized, per the Signing Authority Policy, for the total dollar value of the life of the contract term.

Other Agreements

- 23.00 In the case of the procurement of goods and services funded by external sources, funds must be managed in accordance with the terms of those agreements.
- 24.00 Leases must be approved by the Executive Director Financial Services, with exceptions requiring the approval of the Vice-President Finance and Operations.
- 25.00 All contracts for services must be approved in accordance with the Signing Authority Contract Review Procedures [appended to the Signing Authority Policy].

SPECIAL CONDITIONS AND APPROVALS

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- 34.00 The Requestor is responsible for communicating with Purchasing Services and the supplier regarding any special shipment arrangements required.
- 35.00 The Requestor is responsible for reviewing, approving and submitting any invoices to Accounts Payable directly.

APPENDIX A: RESTRICTED GOODS AND SERVICES

Faculty and staff must ensure that their purchases are approved by the appropriate department, regardless of the dollar amount, when purchasing the following:

Restricted Goods and Services Chart

Restricted Goods and Services	Approving Department
Audio Visual	University Systems
Information Technology Devices and Services	University Systems
Advertising and Visual Identity Program / Marketing Graphic Design (UVic Communications

APPENDIX B: EXCLUSIVE ORDERING RESPONSIBILITY

The Facilities Management department has been designated with exclusive ordering responsibility for the following items:

- a. Construction
- b. Facilities maintenance
- c. Construction-related consultants
- d. Sustainability services (e.g. disposal and recycling)
- e. Furnishings, fittings and finishes per Policy BP3130
- f. Interior and external signage per Policy BP3140

The University Systems department has been designated with exclusive ordering responsibility for the following items:

- g. Network hardware and applications
- h. Telecommunications

APPENDIX C: EXEMPTED GOODS AND SERVICES

The following goods and services are exempted from the competitive process requirement described above. Procurement of these exempted goods and services has been delegated to specific departments and units, and are not required to adhere to the processes outlined in the Competitive Threshold Chart.

Exempted Goods and Services Chart

Exempted Goods and Services	Delegated Responsibility
Actuarial Services	Pension Boards; Associate Vice-President Financial Planning and Operations; Executive Director Financial Services
Arbitrators	Associate Vice-President Human Resources
Auditing	Respective Boards of Governors or Directors
Banking	Vice-President Finance and Operations
Employee Outplacement Services	Associate Vice-President Human Resources
Employee benefits, wages and salary	Vice-President Finance and Operations
Investments & Investment Manager Appointments	Foundations; Pension Trustees; Associate Vice-President Financial Planning and Operations; Executive Director Financial Services; Pe1414 Tc 0.001 Tw 9 Treasurer

Insurance