



Policy Title: Purchasing Policy

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Position Responsible for Maintaining and Administering the Policy: Procurement Manager

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Policy Statement

Purchasing Services is responsible for the procurement function at the University of Windsor and has been authorized to make purchases and commit the University to binding agreements for the acquisition of goods and services, in accordance with this policy. Other members of the University community shall not make any purchases, or commitments to purchase, of any kind other than transactions in accordance with this policy and related financial policies and procedures.

It is the policy of the University to acquire goods and services through a competitive process whenever practical that results in supply arrangements at the most effective net cost, in the correct quantities, of the appropriate quality, and from the most responsive and responsible source. Goods and services shall be acquired competitively and transparently from qualified suppliers to meet specified needs and to achieve the greatest possible value for money to support the goals of the University.

Purpose

The purpose of this policy is to:

- i) Outline the University's accountability for its use of funds for goods and services
- ii) Establish guidelines for purchasing goods and services applicable to all University units
- iii) Identify the role and responsibility of Purchasing Services and others involved in the procurement process

Scope

This policy applies to all purchases and acquisitions prepared or processed by the University. It extends to all operating, ancillary, trust, research or capital accounts regardless of the ultimate source of funding unless specifically indicated otherwise by the funding source. This policy does not cover any renovation or construction work conducted by the University Facility Services Department, as this work is governed by a separate policy [[Procurement Policy - Facility Services](#)]. This policy can be referenced in Appendix C of this Policy.

Responsibilities:

1. Purchasing Services has the responsibility, on behalf of the University, to enter into binding agreements such as purchase orders, equipment leases and other contracts for the supply of materials and/or services from operating budgets. Purchasing Services is the only department authorized to issue, amend or cancel a purchase order.
2. Employees with purchasing approval authority shall ensure that University policy requirements are followed in the procurement of goods and services.
3. No person shall commit the University to agreements, licenses, contracts, leases or other legally enforceable obligations unless authorized by the Board of Governors.
4. It is the responsibility of the end user department (requisitioners) to identify the need for a product or service and provide the specifications to Purchasing Services. When approving a purchasing transaction, employee with purchasing approval authority must ensure that:
 - Approver has delegated authority over account(s) to which charge is being made
 - Transaction is within dollar value limits of delegation

- Purpose of transaction aligns with account(s) being charged and any restrictions related to those funds
- Transaction is in compliance with all policy and other contract terms
- Transaction does not personally benefit themselves, their relatives, or their supervisor(s). Further, transaction approval does not create a conflict or perceived conflict of interest. For further information, reference “Conflict of Interest” section of this policy.

If the end user makes the claim that the goods and / or services can only be provided by one supplier, the requirement for competitive bid process may be waived if the criteria for “sole source supplier” is met. The end user must provide a completed Sole Source Certification form to Purchasing Services for further review and agreement. This form is available on the Purchasing Services website [\[Sole Source Procurement\]](#).

Competitive Bidding and Purchasing Methodology

Single Item Purchase Amount (excluding taxes)	Method of Purchase	Competitive Bid Requirement	Purchasing Services Involvement
Up to \$2,500	U of W Purchasing Credit Card, Invoice or Purchase Order (only if required)	None required (end user can place order directly with supplier)	Not required
\$2,501 to \$10,000	Purchase Order	Minimum of one (1) written competitive quote required. Two (2) additional quotes may be required by Purchasing Services to ensure best value.	Required
\$10,001 to \$100,000	Purchase Order	Minimum of three (3) written competitive quotes – Purchasing Services to advise on process and obtain quotes	Required
Over \$100,000	Purchase Order	Public competitive bid process required (i.e. MERX) via Purchasing Services	Required

It is not an acceptable practice to by-pass the prescribed transaction limits by allowing the vendor to process multiple charges to cover the costs of an order (splitting transactions). **Splitting orders** does not comply with the University Purchasing Policy.

All orders between \$2,501 to \$10,000 will require a minimum of one (1) written quote from the proposed supplier (unless otherwise specified for a research grant, where the external funding agency purchasing requirements will take precedence). This written quote can be obtained by either Purchasing Services or the end user. Purchasing Services, at its discretion, may require two (2) additional quotations to ensure best value is obtained.

All orders above \$10,000 will require a structured competitive bid process to be followed, unless it is an allowable exception to this policy or sole source supplier claim is submitted for approval. This process will ensure the University gains the best possible value within the context of legal and purchasing directives and that it is practicing an open and fair business policy. In the case of a sole source procurement, Purchasing Services will obtain a formal quotation from the requested supplier.

All orders above \$100,000 will require adherence to the University Major Acquisitions Policy.

Delegation of Purchasing Authority

All expenditures or commitments to expend, other than noted excluded transaction types below, must be authorized by an employee with delegated purchasing approval authority. The below schedules indicate purchasing approval authorities for purchase of goods and services.

Excluded (Non-Procurement Related) Transactions

1. Employment contracts (i.e. Payroll)
2. Academic programming contracts (i.e. internships, practicum placements)
3. Research grant contracts (i.e. funding agencies)
4. Agency contracts (i.e. recruiting agencies)
5. Lease agreements
6. Legal settlements

For further information on these excluded transactions, please contact Purchasing Services.

Purchasing Approval Authority Schedules**Competitive Purchasing Authority – Goods and Services**

Contract Value	Finance Review / Consultation Requirement	Procurement Process	Signing Officer(s)
Up to \$2,500	None	Not required	Authorized signing authority for budget in relevant business unit
Up to \$2,500 Consulting Services Only *	Buyer	Invitational Competitive	Authorized signing authority for budget in relevant business unit
Up to \$25,000	Buyer	Invitational Competitive	Authorized signing authority for budget in relevant business unit
Up to \$100,000	Buyer	Invitational Competitive	Authorized signing authority for budget in relevant business unit, <u>plus one-up signing authority</u>
Up to \$500,000	Procurement Manager and Executive Director, Finance	Open Competitive	Vice-President of respective department or unit and Vice-President, Planning and Administration
Over \$500,000	Procurement Manager, Executive Director, Finance & Vice-President, Planning and Administration	Open Competitive	President

***Definition of Consulting Services – please refer to Appendix A**

Sole Source Purchasing Authority – Goods and Services

Contract Value Up to \$25,000	Finance Review / Consultation Requirement Buyer	Procurement Process Sole Source	Signing Officer(s) Authorized signing authority for budget in relevant business unit
Up to \$25,000 Consulting Services Only *	Buyer	Sole Source	President
Up to \$100,000	Buyer and Procurement Manager	Sole Source	Authorized signing authority for budget in relevant business unit, plus one-up signing authority
Up to \$100,000 Consulting Services Only *	Procurement Manager and Executive Director, Finance	Sole Source	President
Up to \$500,000	Procurement Manager and Executive Director, Finance	Sole Source	Vice President of respective department or unit
Up to \$500,000 Consulting Services Only *	Procurement Manager and Executive Director, Finance	Sole Source	President
Up to \$1,000,000	Procurement Manager, Executive Director, Finance and Vice-President, Planning and Administration	Sole Source	President
Over \$1,000,000 Consulting Services Only *	Procurement Manager, Executive Director, Finance, Vice-President, Planning and Administration, and Board of Governors	Sole Source	Board of Governors President

Procurement of Consulting Services

Procurement for all consulting services must be competitively bid, irrespective of value. Prior to commencement, any procurement of consulting services must adhere to the University purchasing approval authority schedules.

*Further definition of consulting services can be referenced in Appendix A of this Policy.

Research Grant Programs/External Funding Agencies

For research grant programs, when receiving funding from external agencies, and where those purchasing requirements (i.e. dollar limit thresholds, number of quotes required, etc) are different from University requirements, the more stringent requirements will take precedence.

Ethical Conduct and Dealing with Suppliers

When purchasing goods and/or services which require detailed specifications, the end user may need to research the product(s) by contacting suppliers. This process may include asking for information relating to the cost of the product for budget purposes. End users are advised not to negotiate pricing with suppliers. If a supplier provides unsolicited information relating to the value of the product(s), this information must be kept strictly confidential. Under no circumstances can this information be passed on in any capacity that would allow another supplier a competitive advantage, as it will severely impact University business/community relations and the ability for the University to receive competitive bids in the future. This type of circumstance can be referred to as "bid peddling" and cannot be condoned for legal, as well as ethical reasons.

The University further requires that all individuals involved in purchasing or other supply chain-related activities must adhere to the principles and standards promulgated by the University's Procurement Code of Ethics to ensure an ethical, professional and accountable supply chain [\[Procurement Code of Ethics\]](#).

Confidentiality

Any and all confidential information shall be the sole and exclusive property of the University and shall be held by all employees in trust for the benefit of the University only. Confidential information shall not be disclosed by University employees to outside parties except in the necessary course of business. University employees privy to confidential information shall be prohibited from communicating the confidential information to anyone, except in the necessary course of business. Efforts will be made to limit access to confidential information to only those in a need-to-know position.

All University employees shall take any and all reasonable actions that the University deems necessary or appropriate to handle, store and maintain supplier confidential information to prevent the unauthorized use or disclosure.

For further reference, a list of types of supplier confidential information can be found in Appendix B of this Policy.

Conflict of Interest

- i) University employees must maintain a fair and impartial relationship when dealing with suppliers. End users and Purchasing Services staff are responsible for ensuring that any potential conflict of interest or non-arm's length transactions in dealing with suppliers are declared per the University Conflict of Interest or Commitment Policy [[Conflict of Interest or Commitment Policy](#)]. This Policy further requires disclosure where a contract for goods or services may be awarded to a person or firm in which a University employee has a material interest. Declaration of any conflict of interest must be made on the University "Conflict of Interest Disclosure Statement" [[Conflict of Interest Disclosure Statement](#)].

Section 6.2 (Business Decisions) of the University Conflict of Interest or Commitment Policy further states:

"A conflict of interest appears to exist when faculty and staff members take part in decisions to transact the university's business with a company in which they have a material interest. Therefore, the responsibility rests with individuals to disclose whenever they have influence over a decision about a proposed contract between the university and a company in which they have substantial holdings and to withdraw from the university's decision-making process."

- ii) Per the University Gift Policy [[Gift Policy](#)] gifts should not be accepted from suppliers as it may result in an expectation of reward of business.

Sustainability

The University's position on sustainability provides for purchasing policies and procedures that support the values of sustainability, social responsibility and fair labour practices. To this end, the University will incorporate sustainability standards into procurement practices as appropriate and give consideration in its evaluation process to those goods and services that reflect this commitment to sustainability or broader social responsibility.

Additionally, the University will strive to incorporate sustainability initiatives as set forth by the Council of Ontario Universities related to all purchasing and procurement activities [[COU GreenPledge](#)].

Accessibility for Ontarians with Disabilities Act

In order to meet accessibility obligations in procurement related activities under the Ontario Human Rights Code, 1990 (OHRC) and the Accessibility for Ontarians with Disabilities Act, 2005 (AODA), the University has established requirements that must be met when purchasing goods and/or services. Further information regarding these requirements can be found in Appendix D of this policy.

Exceptions to Policy

Exceptions to this policy include the below listed items. Procurement resources will be available to support the purchase of these goods and services where required.

1. All contract or consulting work related to any alterations, renovations or construction fall under the control of the University's Facility Services Department. End user must always contact a staff member in Facility Services to arrange any of this type of work in order that codes are complied with as part of project
2. Chemical Control Centre business operations related to hazardous materials acquisitions and stock room services
3. Emergency purchases where an immediate purchase or procurement decision is necessary to prevent a serious delay that could reasonably result in danger to life, damage to property, or suspension of the provision of an essential service for the University
4. Insurance
5. Inventory goods for re-sale (i.e. Bookstore, Food Services)
6. Legal fees (i.e. negotiated by University Counsel)
7. Library book/collection acquisitions (i.e. serials)
8. ITS selected software license renewals and maintenance / service contracts
9. Personnel services and employment contracts (contact Human Resources)
10. Taxes
11. Travel, entertainment or hospitality related expenses and associated reimbursements - please refer to other University policies [\[Travel Policy\]](#); [\[Entertainment Policy\]](#)
12. Utilities (i.e. natural gas, hydro, water)
13. If a cooperative or joint venture to purchase goods and/or services exist with other institutions such purchases are to be made according to the procedures of that group, which may not be identical to, but are consistent with the intent of this policy
14. Exceptions designated as "Excluded Transactions" under the "Delegation of Purchasing Authority"

The above noted list of exceptions to this policy will be reviewed on a regular basis and any changes will require approval by the Vice President, Planning and Administration.

Cross-References

1. Procurement Policy – Facility Services [\[Procurement Policy - Facility Services\]](#)
2. Major Acquisitions Policy [\[Major Acquisitions Policy\]](#)
3. Purchasing Card Program [\[Purchasing Card\]](#)
4. Travel Card Program [\[Travel Card\]](#)
5. Travel Policy [\[Travel Policy\]](#)
6. Entertainment Policy [\[Entertainment Policy\]](#)
7. Ministry of Finance – BPS Supply Chain Secretariat [\[Ministry of Finance - BPS SCS\]](#)

Definitions

None.

Procedures

1. The end user determines the need for a good or service. This process may involve discussions with Purchasing Services to determine whether the item is a “sole source” procurement. End users are asked to consider preferred supplier agreements [[Preferred Supplier Agreements](#)] before proceeding with an order. These agreements have been negotiated through a competitive process and are intended to leverage purchase power and enhanced levels of service for the University. The purchase amount will determine the appropriate course of action required (refer to Table on Page 3 for further information).
2. The end user then completes a Purchase Requisition form (duly signed by an official of the University having authority over expenditure of the fund to which the charge will be made) and forwards it to Purchasing Services with all relevant supporting documentation.
3. Purchasing Services confirms information submitted from the end user and if acceptable, secures a Purchase Order based on the University’s approved Purchasing Policy.

Review Process for Policy

The policy will be reviewed every five (5) years. There may be certain circumstances that may cause for the review of the policy prior to that date: changes in legislation that affect the policy; a specific incident triggers a review of the policy; there is a request made by Senior Management or the Board of Governors to review the policy.

Process for Communicating Policy

The policy will be posted on the University of Windsor’s policy webpage, within two weeks of the approval of the policy, and Public Affairs and Communications will be asked to disseminate the information to the campus through the Daily News if appropriate (some policies will not be advertised through Daily News). A notification will also be sent to the departments directly affected by the policy.

Contact Information: inquiries regarding the policy should be directed to Andrew Kuntz, Procurement Manager (andrewk@uwindsor.ca or ext. 2119) or appropriate individual in the department where the policy was developed, as per the contact information at the introduction of the policy.

Appendix A

Definition of Consulting Services

Consulting Service Provider (CSP)

- "Consultant" means a person or entity that under an agreement, other than an employment agreement, provides expert or strategic advice and related services for consideration and decision-making.
- "Consulting Services" means the provision of expertise or strategic advice that is presented for consideration and decision-making.

Non-Consulting Service Provider (NCSP)

- A "Non-consulting Service Provider" is an individual/company who contracts to provide services, other than consulting services to another individual or business. Examples may include "consultants" such as property brokers, head hunters or trainers.

Employee

- An "employee" is typically on payroll, with deductions made at source. An individual may be hired on a full or part time, temporary or permanent basis. The organization reserves the right of direction and control over the employee's actions, has the power to dismiss the individual and provides the tools and equipment for the job.

End users are requested to refer further questions regarding consulting services to Purchasing Services.

Appendix B

Confidential Information

The following list of information, including, without limitation to, is considered to be confidential:

- Financial Information
 - Earnings, assets, debts, prices, pricing structures, volume of purchases or sales or other financial data, whether relating to the University generally, or to particular products, services, geographic areas and time periods,
- Supply/Service Information
 - Supplier's names or addresses, terms of supply or service contracts, or particular transactions or related information regarding potential suppliers, to the extent that such information is not generally known to the public and to the extent that the combination of suppliers or use of a particular supplier, though generally known or available, yields advantages to the University, the details of which are not generally known,
- Marketing Information
 - Details of ongoing or proposed marketing programs, agreements made by or on behalf of the University, results of marketing efforts and information regarding impending transactions

Appendix C

Procurement Policy – Facility Services (May 2006)

Purpose:

This policy is to provide process guidelines for procurement of services for work related to: construction projects; major renovations; repairs and alterations and major equipment installations. The objective of this policy is to allow all suppliers of such services fair and equitable access to contracts with the University under a competitive bidding structure for larger dollar contracts. The process followed for obtaining bids is based on the **total estimated contract cost ranges for the project**:

- 1) Greater than \$100,000
- 2) \$50,000 to \$99,999
- 3) \$10,000 to \$49,999
- 4) Under \$10,000

General Conditions:

For any cost range, the procurement of contractor services can be achieved by one of the following methods: Tenders, Request for Proposals, or Request for Quotes depending on the scope of work and nature of the project. Each project will have a “Project Administrator” assigned from Facility Services.

Contractors shall generally be required to pre-qualify not less than once per year by providing the requested information from the University. Interested contractors will submit a completed Canadian Construction Association Document #11 and copies of insurance and bonding limitations from their respective agencies. Some tenders will be opened in a public meeting forum. This will be indicated in the tender/bid documents. The University Tender Opening Committee is comprised of representatives from Facility Services and the Finance Department. The base price bid will be recorded at the public meeting. Any other detailed review will be done in private by the Project Administrator or consultant assigned by the University to ensure compliance of specifications. The Project Administrator or consultant will notify the successful bidder.

Bonding requirements will be disclosed in the tender/bid documents. Failure to supply the required bonding will result in tenders being rejected and returned to the bidder.

In the case of emergency repairs, the competitive bidding process may not be necessarily be able to be followed.

Competitive Bidding Methodology:

1) Total estimated contract cost for the project is greater than \$100,000

- A posting of the project will be done to solicit Letters of Interest on a public bulletin board in compliance with the Agreement on Internal Trade unless the contract is for an allowable exception. Pre-qualification of contractors will be issued in compliance with legislated Construction Procurement Agreements (e.g. Quebec/Ontario).
- If stipulated in the tender/bid documents, the contractor shall be required to provide a 10% Bid Bond and Guarantee to Bond.
- The successful bidder must provide a Performance Bond and a separate Labour and Material Bond, each in the amount of 50% of the Tender price.

2) Total estimated contract cost for the project is \$50,000 to \$99,999

- Bids may be called on an invitational basis from contractors who have pre-qualified.
- Depending on the scope of the project and at the discretion of the Project Administrator, the bid documents may indicate that in lieu of Bid Bond, a certified cheque, or bank draft in the amount of 10% of the tender price, made payable to the University, is accepted. This cheque will be held as a bid guarantee and returned to the contractor after award of contract.
- In lieu of Performance and Labour & Material Bond an Irrevocable Standby Letter of Credit issued by a recognized bank in the amount of 15% of the Tender Price, made payable to the University of Windsor, is accepted. The Letter of Credit will be held for the duration of the project until final completion unless needed in the event the contractor defaults in any way.

3) Total estimated contract cost for the project is \$10,000 to \$49,999

- Bids may be called on an invitational basis from contractors who have pre-qualified.
- No bonding shall be required unless due to the nature of the project the Project Administrator deems it necessary.

4) Total estimated contract cost for the project is under \$10,000

In order to expedite required work for smaller projects and/or maintenance work, an approved contractors' list will be maintained by Facility Services for the awarding of work with only one written quote, provided that:

- Contractor has pre-qualified by providing documents as requested by the University.
- The services required are at a price and schedule that meets the needs of the University. Notwithstanding, if a campus client requests more than one quote, that request will be respected.
- No bonding shall be required unless due to the nature of the project, the Project Administrator deems it necessary.

Appendix D

Guidelines: Meeting Accessibility Obligations in Procurement

The University of Windsor is committed to supporting members of the University community with disabilities by working to remove existing barriers and ensuring that no new barriers are created. To this end, the University has drafted guidelines which focus on the removal barriers and making the University a more inclusive community.

As such, prospective vendors are being required to ensure that all of its employees, agents, volunteers, or others engaged by them in the delivery of goods/services to the University have received training in accordance with Section 6 of the Ontario Regulation 429/07 made under the Accessibility for Ontarians with Disabilities Act, 2005 (AODA). Accordingly, prospective vendors agree to:

- Comply with requirements of the AODA
- Complete and submit an AODA Training Certificate to the University as may be required

Additionally, when procuring or acquiring goods, services or facilities, the person responsible for the purchasing documents is also responsible for enquiring about the accessibility features of the products. Considerations should be made to ensure that the item(s) being purchased do not pose a barrier for persons with disabilities. If the purchaser determines that it is not practicable to incorporate accessibility criteria and features into the purchase, the purchaser shall keep a written explanation, in accordance with Section 5 of the Integrated Accessibility Standards Regulation 191/11.