



**Policy Title:** Purchasing Policy

**Policy Number:** FIN-PUR-1008-001

**Established:** November 25, 1998

**Approved by:** Vice President, Administration and Finance

**Last Approval Date:** November 25, 1998

**Revision Date:** May 12, 2010

**Position Responsible for Maintaining and Administering the Policy:** Procurement Manager

**Contact:** Ryan Kenney, Procurement Manager, (519) 253-3000 ext. 2119

---

## Table of Contents

<u>Item</u>	<u>Page</u>
Policy Statement	2
Purpose	2
Scope	2
Competitive Bidding & Purchasing Methodology	3
Research Grant Programs / External Funding Agencies	3
Ethical Conduct & Dealing with Suppliers	4
Confidentiality	4
Conflict of Interest	4
Sustainability	5
Exceptions to the Policy	5
Cross References	6
Definitions	6
Procedures	6
Review for Policy	6
Process for Communicating Policy	7
Appendices	7

## **Policy Statement**

It is the policy of the University of Windsor 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 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 / services;
- ii) Establish guidelines for purchasing goods / 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 purchase-related documents prepared or processed by the University of Windsor. 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](#)].

## **Responsibilities:**

1. Purchasing 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 is the only department authorized to issue, amend or cancel a purchase order.
2. Deans / Department Heads are responsible to ensure that this policy is followed and communicated to their staff.
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. End users must ensure that the person requesting the order has signing authority on the account(s) to be charged and that there is sufficient budget in those accounts to cover the expense.
5. If the end user makes the claim that the goods / 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 for further review and agreement. This form is available on the Purchasing website [[Sole Source Procurement](#)].

**Competitive Bidding and Purchasing Methodology**

**The following chart briefly summarizes the limits and methods required:**

Purchase Amount (excluding taxes)	Method of Purchase	Competitive Bid Requirement	Purchasing Department Involvement
Up to \$2,500	U of W Purchasing Credit Card, 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 required. Two (2) additional quotes may be required by Purchasing to ensure best value. *	Required
\$10,001 to \$100,000	Purchase Order	Minimum of 3 written competitive quotes - Purchasing to advise on process and obtain quotes **	Required
Over \$100,000	Purchase Order	Public competitive bid process required (i.e. MERX) - contact Purchasing ***	Required

\* 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 or the end user. Purchasing, 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 will obtain a formal quotation from the requested supplier.

\*\*\* All orders above \$100,000 will require adherence to the Major Acquisitions Policy [[Major Acquisitions 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/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**

Transactions related to Purchasing are of a confidential nature and should be handled accordingly. It is important to note that indirect methods such as overheard telephone calls, documentation left on desks during vendor interviews and conversations within hearing of vendors in other offices can also create confidentiality issues for the University and should be avoided.

**Conflict of Interest**

- i) University employees must maintain a fair and impartial relationship when dealing with suppliers. End users and Purchasing 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 Policy [[Conflict of Interest 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 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](#)].

## **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;
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. Cogeco cable for Residence);
13. If a cooperative or joint venture to purchase goods/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.

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, Administration and Finance.

### **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. Ontario Broader Public Sector Supply Chain Guideline [[Supply Chain Guideline](#)]

### **Definitions**

None.

### **Procedures**

1. The end user determines the need for a good or service. This process may involve discussions with Purchasing 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 with all relevant supporting documentation.
3. Purchasing 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 5 years. Under the following circumstances the policy may be reviewed before the 5 year term: 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 memo will also be sent to the departments directly affected by the policy.

Contact Information: inquiries regarding the policy should be directed to Ryan Kenney, Procurement Manager ([rkenney@uwindsor.ca](mailto:rkenney@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.

**Appendices**

None.