POLICY

The purchase of goods and services at Carleton University will be undertaken in an efficient and cost-effective manner to ensure that the highest quality of goods and services is procured at the lowest overall cost while complying with the BPS Procurement Directive.

PURPOSE

The purpose of this policy is

- To ensure that current legislative requirements with respect to public entity purchases are met, including mandatory requirements of the Ontario Broader Public Sector (BPS) Procurement Directive
- To ensure ethical, efficient and accountable sourcing, contracting, purchasing, or other supply-chain related activities within Carleton University.
- To ensure that all Carleton University employees, involved in the supply chain, are aware of Carleton University’s Supply Chain Code of Ethics (See Appendix A).
- To outline the University’s accountability for its use of funds for goods and services.
- To establish guidelines for purchasing goods and services for all University units.
- To promote the role of Purchasing Services at the University in assisting departments in acquiring the goods and services required at the best possible value.
- To ensure fairness, transparency and openness to all interested suppliers.

RESPONSIBILITY

Except as specifically delegated by the Board of Governors, or the President, the acquisition of goods and services is the primary responsibility of Purchasing Services without regard to the source of funds from which goods and services are purchased. Thus whether the acquisition is funded from operating funds, ancillary funds, capital funds or research funds, this policy applies.

The Fund/Account Holder (Department or Researcher) is responsible for the identification of a requirement, development of a specification, provision of Fund and accounting information containing sufficient funds to cover the estimated cost of the acquisition, preparation of the requisition, and working with Purchasing Services staff to
evaluate the quotes/proposals received.

The Manager, Purchasing Services, or delegate, through the application of accepted purchasing practices, that is, competitive bidding, purchase negotiations and supply sourcing, is responsible for placing purchase orders with suppliers offering the best combination of cost, product quality, delivery and service and other evaluation criteria specific to the purchase.

Due to the specific requirements involved in the planning and awarding of construction contracts the responsibility for the solicitation of quotes/tenders and the awarding of construction contracts rests with the Assistant Vice-President (Facilities Management and Planning).

ROLE OF PURCHASING SERVICES

The role of Purchasing Services is to identify sources for required goods and services, to select and acquire the goods and services as economically as possible within acceptable standards of quality, to manage supplier relationships on behalf of the University, and to ensure that purchases are made in accordance with this policy.

In fulfilling its responsibility, Purchasing Services will:

- Consult with users to establish requirements and possible sources of supply;
- Manage the process of obtaining competitive bids in accordance with this policy, except where delegated to others;
- Encourage competition among suppliers through negotiation, competitive bidding and contract buying;
- Ensure the bidding process is conducted according to Canadian Laws of Competitive Bidding and the Agreement on Internal Trade (AIT);
- Work co-operatively with end users to make the final determination of source of supply, delivery schedule and price negotiation;
- Evaluate supplier performance;
- Explore and make use of possible advantages of inter-institutional consortia and other cooperative purchasing programs;
- In conjunction with all University departments increase the use of recycled and environmentally friendly products and services where economically feasible;
- Interpret and apply applicable government regulations including customs and sales taxes;
- Expedite the procurement of goods and services and provide for customs clearance ensuring compliance with CRA regulations;
- Ensure that written contracts between the University and its suppliers represent the University’s interests adequately, and meet all legal requirements.

SEGREGATION OF DUTIES

To maintain effective internal control, the delegation of authority and segregation of duties across the various procurement functions, departments should prevent any one person from controlling an entire purchasing transaction. The typical procurement cycle includes five major steps or roles. The following
In order to maintain appropriate segregation of duties, three of the five functions should be completed by different individuals. In circumstances where it is not feasible as in the case of small units, adequate compensating controls may be acceptable (e.g., regular transaction review of financial reports by department budget authority after the fact).

<table>
<thead>
<tr>
<th>Purchasing Roles</th>
<th>Task</th>
<th>Who</th>
</tr>
</thead>
<tbody>
<tr>
<td>Requisition</td>
<td>Authorize the budget unit to place an order</td>
<td>Department budget holder, research principle investigator or authorized delegate</td>
</tr>
<tr>
<td>Budget</td>
<td>Ensure that the funding is available to cost the order</td>
<td>Department budget holder, research principle investigator or authorized delegate</td>
</tr>
<tr>
<td>Commitment</td>
<td>Authorize the release of the order to the supplier under the agreed terms</td>
<td>Purchasing Services or department authority for commitment of funds</td>
</tr>
<tr>
<td>Receipt</td>
<td>Authorize that the order was physically received, correct and complete</td>
<td>Department individual receiving the goods</td>
</tr>
<tr>
<td>Payment</td>
<td>Authorize release of the payment to the supplier</td>
<td>Department budget authority, Accounts Payable department or signing officers</td>
</tr>
</tbody>
</table>

SCOPE & PURCHASING THRESHOLDS

A “commitment” is considered to include a system of products and or services that must be procured in whole to be functionally operable. Larger purchases cannot be “split” into smaller components to circumvent these thresholds.

“Value” means the total anticipated spend outlay (excluding taxes) over the life of the commitment.

Competitive bids must be obtained for goods, non-consulting services, construction and renovations which exceed $5,000 per commitment in the number and form set out below, Table 1
## TABLE 1

**Goods, Professional Services, Construction & Renovations**

<table>
<thead>
<tr>
<th>Total value (before taxes, etc)</th>
<th>Means of Procurement</th>
<th>Approval Required</th>
<th>Process</th>
</tr>
</thead>
<tbody>
<tr>
<td>$0 to $5,000</td>
<td>Procurement Card</td>
<td>Fund/account owner or designate</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Purchase Order</td>
<td></td>
<td></td>
</tr>
<tr>
<td>$5,001 - $50,000</td>
<td>Minimum of two written quotations</td>
<td>Fund/account owner or designate</td>
<td>Quotations can be obtained by department or Purchasing Services</td>
</tr>
<tr>
<td></td>
<td>Purchase order</td>
<td></td>
<td></td>
</tr>
<tr>
<td>$50,001 – $99,999</td>
<td>Minimum of three written quotations</td>
<td>Fund/account owner or designate</td>
<td>Quotations can be obtained by department or Purchasing Services</td>
</tr>
<tr>
<td></td>
<td>Purchase Order</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Formal Agreement</td>
<td></td>
<td></td>
</tr>
<tr>
<td>$100,000 and above</td>
<td>Formal open competitive bid process</td>
<td>Fund/account owner or designate</td>
<td>A formal bid document is to be posted on MERX and to comply with the BPS Procurement Directives</td>
</tr>
<tr>
<td></td>
<td>Purchase Order</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Formal Agreement</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

## CONSULTING SERVICES

Competition must be obtained for **consulting services** regardless of value as set out below, TABLE 2. Competitive thresholds for **Professional Services** procurement is in accordance with TABLE 1:

- **"Consultant"** means a person or entity that under an agreement, other than an employment agreement, under a fee-for-service arrangement, provides expert or strategic advice and related services for consideration and decision-making, usually in the form of a report.

- The following licensed professionals: medical doctors, dentists, nurses, pharmacists, veterinarians,
engineers, land surveyors, architects, accountants, lawyers and notaries, does not constitute consulting services.

- **“Professional Service”** provider is a person or entity retained under a fee-for-service arrangement that is not an employment agreement, to perform specific tasks under a client’s direction for a limited period of time. Competitive thresholds for **Professional Services** procurement is in accordance with TABLE 1:

```
TABLE 2
Consulting Services

<table>
<thead>
<tr>
<th>Total value (before taxes, etc)</th>
<th>Means of Procurement</th>
<th>Approval Required – Competitive Process</th>
<th>Approval Required – Non-Competitive Process</th>
</tr>
</thead>
<tbody>
<tr>
<td>$0 to $50,000</td>
<td>Invitational competitive process – Minimum of two written quotations</td>
<td>Fund/account owner or designate</td>
<td>President</td>
</tr>
<tr>
<td>$50,001 to $99,999</td>
<td>Invitational competitive process – Minimum of three written quotations</td>
<td>Fund/account owner or designate</td>
<td>President</td>
</tr>
<tr>
<td>$100,000 and above</td>
<td>Formal open competitive bid process</td>
<td>Fund/account owner or designate</td>
<td>Board of Governors</td>
</tr>
</tbody>
</table>
```

**LOW VALUE PURCHASES**

While Purchasing Services is available for assistance in the procurement of all goods and non-consulting services, those valued at $5,000 or less may be initiated and completed by authorized individuals at the department level.

A procurement card is available to departments that allows purchases to be made without requiring a purchase order, see link for details:

EXCEPTIONS TO COMPETITIVE BIDDING REQUIREMENTS

Non-Competitive Procurement – Sole/Single Sourcing

Carleton University will employ an open competitive process when required, and whenever possible to increase the chances of achieving the greatest value for money. However, in some specific situations as described in this Sole/Single Source Section, competitive procurement processes may not be warranted.

Non-Competitive Goods, Construction and Non-Consulting ($5,000 or greater)

In the event that Carleton University does not employ a non-competitive procurement process for goods, construction, or non-consulting services, formal documentation will need to be completed on a Sole/Single Source Certificate as Appendix B.

The Sole/Single Source Certificate for the non-competitive procurement of goods or non-consulting services must receive prior approval by:

Prior Approval Required by:

1. Fund/Account owner
2. 1 Level Higher than Account Holder i.e. Chair
3. Manager, Purchasing Services
4. A Vice-President/Provost

Exceptions to competitive bidding requirements must not be for the purpose of avoiding competition or in order to discriminate against or favour specific suppliers. The University requires competitive bidding of all procurement where practical and advantageous, however Appendix B sets out when a Sole or Single purchase can be made. Other reasons include the following:

- Where there is an absence of competition for technical, unique expertise, legislative or statutory reasons (eg. Agreement on Internal Trade)
- Where the supply of goods or services is controlled by a statutory monopoly;
- For a contract to be awarded to the winner of a design contest;
- For procurement of original works of art;
- For procurement of real property;
- Items for resale to the public
CO-OPERATIVE PURCHASING

The University may choose to participate in a co-operative purchasing project with other local or provincial organizations. The tendering/quotation requirements of the co-operative organization may not be identical to University requirements but will be accepted if deemed by the Manager, Purchasing Services to be consistent with the intent of University purchasing policies. The Agreement Internal Trade $100,000 electronic bid requirement will apply to the total purchase of the Co-operative members.

Non-Competitive Procurement – Consulting Services

Non-Competitive Consulting Services - (greater than $0)

In the event that Carleton University employs a non-competitive procurement process for consulting services, formal documentation will need to be completed on a Sole/Single Source Certificate (see Appendix B)

The Sole/Single Source Certificate for the non-competitive procurement of Consulting services must be complete and approved, as follows:

Up to $999,999.00

Prior Approval Required by:

1. Requester/ Account Holder
2. 1 Level Higher than Account Holder i.e. Chair
3. Manager, Purchasing Services
4. A Vice-President/Provost

AND

the President

$1,000,000 and greater

Prior Approval Required by:

1. Requester/ Account Holder
2. 1 Level Higher than Account Holder i.e. Chair
3. Manager, Purchasing Services
4. A Vice-President/Provost/President

AND

by the Board of Governors or by its Executive Committee
CODE OF ETHICS

The University shall conduct its purchasing activities in accordance with Carleton University’s Supply Chain Code of Ethics (see Appendix A). The Code of Ethics shall apply to all members of the university community involved in the supply chain of the University.

CONFLICT OF INTEREST & CONFIDENTIALITY

Each individual involved the evaluation of competitive bids is required to complete a Conflict of Interest and a Non-Disclosure Agreement, see Appendix C & D.

DELEGATION OF THE PURCHASING POLICY

Due to their specialized nature, the responsibility for procurement of certain goods and services by the University rests in areas other than the Purchasing Services. Such areas include:

- Construction contracts/materials; ----- Assistant Vice President (Facilities Management and Planning)
- Insurance and investment services; --- Assistant Vice President (Finance)
- Personnel services and contracts; ----- Assistant Vice President (Human Resources)
- Library book acquisitions. ----------- University Librarian

However, this policy and the Broader Public Sector (BPS) Procurement Directive applies to the above where applicable.

Contacts:

Assistant Vice President (University Services); Manager, Purchasing Services; Departmental Administrator, University Services and Purchasing

Links to related Policies:

Procurement Card Policy
Appendix A

CARLETON UNIVERSITY
Supply Chain Code of Ethics

General:

Carleton University is committed to high standards of ethical, legal, environmental and professional behaviour by its members when carrying out their responsibilities and managing the resources entrusted to them. All University staff and personnel who, during the course of their duties, are involved in the process of acquiring goods or services shall perform their duties to the following standards:

Personal Integrity and Professionalism

- A high standard of integrity, honesty, respect, professionalism and due diligence will be exercised in all activities and relationships
- Any personal interest that may impinge ones’ impartiality must be declared immediately to the Manager of Purchasing Services
- Respect for each other will be demonstrated
- Respect for the environment will be demonstrated
- The confidentiality of information received in the course of duty will be respected, subject to legislative requirements
- Information given in the course of duty should be true, fair and factual
- Activities that create, or may appear to create, a conflict of interest, such as accepting gifts or favours or providing preferential treatment are not acceptable

Accountability & Transparency

- Goods and services shall be procured in an open, fair and transparent manner
- All procurement activities will be conducted in a competitive environment to ensure best value is obtained and University resources are optimized.

Compliance & Continuous Improvement

- The support of collaborative purchasing, the adoption and sharing of leading procurement practices and the highest standards of professional competence will be sought and demonstrated
- Suppliers will be encouraged to consider sustainability and social responsibility in their product or service offerings
Appendix B

PURCHASING SERVICES

SOLE OR SINGLE SOURCE CERTIFICATION

☐ Sole Source: Only one supplier is capable of meeting end user requirements and specifications; no other suppliers or distributors in the market.

☐ Single Source: More than one supplier or distributor for a product exists in the market, however only one of those suppliers or distributors is able to meet specific requirements.

Carleton University’s Policies reflect all Federal and Provincial laws that govern public sector procurement including competitive bidding practices. The Purchasing Policy applies to expenditures from all funds: operating, research and capital.

If quotations or competitive bids are not solicited, this signed certification, along with the back-up documentation must be forwarded to Purchasing Services, with the requisition, prior to any commitment being made to the supplier.

I understand and accept that the University’s Purchasing Policy requires that two written quotations be obtained from different suppliers (for goods or services valued in excess of $5,000) and three written quotations from different suppliers (for goods or services valued in excess of $50,000) and formal competitive bids (for goods or services in excess of $100,000); however since one or more of the conditions below apply, this procurement is either exempt from the policy or competitive bids were not solicited.

I have attached the required back-up documentation in support of the selected condition(s) and I also acknowledge that no commitment has been made to the supplier.

Only one supplier is able to meet the requirements of this procurement for one or more of the reasons noted below:

☐ No alternative or substitute or service exists that meets the specific or unique technical or research requirements of the purchase.

☐ To ensure compatibility with existing products, to recognize exclusive rights such as licenses, copyright and patent rights or to maintain specialized products that must be maintained by the manufacturer or its representative.

☐ More than one supplier exists in the market for the requested good or service; however, only the supplier or distributor chosen is able to meet specific requirements for this purchase as indicated in the attached document.

☐ The subject matter of the purchase is of a confidential nature and its disclosure through a competitive bid process could compromise security, cause economic disruption or otherwise be contrary to the public interest.

☐ The purchase is for work to be performed on property by a contractor according to provisions of a warranty or guarantee held in respect of the property or the original work

☐ The purchase is for a prototype, or a first good or service to be developed for a particular contract for research, experiment, study or original development, but not for any other subsequent purchases.
The purchase is for goods or services available under exceptional circumstances such as bankruptcy or receivership, but not for routine purchases.

The purchase is for subscriptions to or to place advertisements in various media.

An emergency situation exists where an acquisition is urgently required to prevent danger to life or property, suspension of essential or serious delay injurious to the University.

Other reasons not provided in the above and as indicated in the attached document.

Originator Signature: __________________________ Originator Name (Please Print): __________________________ Date: ____________

Supervisors Signature: __________________________ Supervisors Name (Please Print): __________________________ Date: ____________

Vice-President/Provost Signature: __________________________ Name (Please print): __________________________ Date: ____________

This document will be kept for Audit purposes.

Justification:

To be completed by Purchasing Services

Contract or Purchase Order #: __________________________

Supplier Name: __________________________
Supplier Address: __________________________
Expiration: (not to exceed 5 years)

Date: ____/__/__ (YYYY/MM/DD)
Other: __________________________
I have read the Supply Chain Code of Ethics (attached) and understand the expectations for ethical conduct. Consistent with the Supply Chain Code of Ethics, I am capable of identifying a situation that constitutes a Conflict of Interest, such as but not limited to:

I. Engaging in outside employment;

II. Not disclosing an existing relationship that may be perceived as being a real or apparent influence on my objectivity in carrying out an official role;

III. Providing assistance or advice to a particular vendor participating in a competitive bid;

IV. Having an ownership, investment interest, or compensation arrangement with any entity participating in the bid process with the organization;

V. Having access to confidential information related to the procurement initiative; and

VI. Accepting favours or gratuities from those doing business with the organization.

I agree to abide by Supply Chain Code of Ethics and the Procurement Policies and Procedures in all of my procurement activities. I declare that there are no actual or potential conflicts of interest arising out of my participating in procurement activities, except for the following:

1. 

2. 

________________________________________

________________________________________

________________________________________

________________________________________

________________________________________

________________________________________

________________________________________

Signature  Print Name  Date
Appendix D

CARLETON UNIVERSITY

Evaluation Team Non-Disclosure Agreement

TO BE COMPLETED BY EACH PROCUREMENT EVALUATION TEAM MEMBER

RE: [RFP Number and Title]

In accordance with the BPS Procurement Policies and Procedures, BPS Organizations must consider any conflicts of interest during procurement activities.

I am a participant of the procurement initiative for the Request for Proposal (“RFP”) [RFP Number and Title] as a [Role and Title].

I acknowledge that I will acquire certain knowledge or receive certain written or oral information (collectively, the Information) which is non-public, confidential or proprietary to the proponents responding to the RFP. If unauthorized parties receive the Information, the interests of either the proponent or Carleton University may be severely damaged.

I agree that, unless required by law or in the course of the procurement process, I will keep all the Information confidential. I will not, without the written consent of Carleton University, reveal or disclose the Information to anyone. Nor will I use the Information directly or indirectly for any purpose other than to gather requirements, develop RFP content, evaluate the proposals or advise regarding Carleton University’s selection of the proponent for the procurement initiative.

I further agree not to copy or circulate the Information, except as a result of the written direction of Carleton University. I agree to keep all the procurement documents, templates and written information relating to the RFP, in a secure place and to return this documentation at Carleton University’s request. I also agree not to initiate or respond to any external inquiry relating to the RFP.

In addition, unless otherwise required by law, or having obtained the written consent of Carleton University, I will not disclose to any person (other than persons authorized by) any information about Carleton University, the project and the proposals submitted in response to the RFP. This includes the terms, conditions or other facts relating to the project, the evaluation, the matters discussed by the Evaluation Team and the proposals. This also includes, but is not limited to, the fact that discussions are taking place with respect to the evaluation process and its status, or the fact that the Information has been made available to me.
I understand and agree that any delay or failure by Carleton University exercising its rights, powers or privilege does not free me from these obligations. Nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege thereunder.

________________________________________
Signature                                      Print Name                                      Date

Please return to [Procurement Lead or Bid Administrator name]