

COLLEGE POLICY

| Purchasing | |
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| Policy ID: | #4-411 |
| Manual Classification: | Finance and Administration |
| Approved by Board of Governors: | <i>Original:</i> March 8, 1989 <i>Revisions:</i> February 2, 2004; February 26, 2014; March 23, 2016 |
| Effective Date: | March 24, 2016 |
| Next Policy Review Date: | March 2021 |
| Administrative Contact for Policy Interpretation: | Vice-President Finance and Administration |
| Linked to an Operating Procedure: | <input checked="" type="checkbox"/> Yes # 4-411 OP <i>Purchasing</i> <input type="checkbox"/> No |

Policy Statement

Sir Sandford Fleming College's purchasing policy is intended to ensure the quality of acquisitions and the College's integrity with regard to competition and the fairness of its practices in the spending of public funds.

Purpose

The purpose of this policy is to ensure that publicly funded goods and services, including construction, consulting services, and information technology are acquired by the College through a process that is open, fair, and transparent.

The primary office of responsibility for this policy is the Vice-President Finance and Administration who is responsible for ensuring these procedures are properly enforced and to negotiate any alteration to them as required.

Scope

This policy applies to all employees of the College including suppliers of services and all operational and ancillary units of the College.

Definitions/Acronyms (as required)

Purchase Order: a written offer made by a purchaser to a supplier formally stating the terms and conditions of a proposed transaction.

Request for Proposal (RFP): a document used to request suppliers to supply solutions for the delivery of complex products or services or to provide alternative options or solutions. It is a process that uses predefined evaluation criteria in which price is not the only factor.

Invitational Competitive Procurement: any form of requesting a minimum of three (3) qualified suppliers to submit a written proposal in response to the defined requirements outlined by the College.

Approval Authority: the authority delegated by the College to a person designated to occupy a position to approve on its behalf one or more procurement functions within the plan-to-pay cycle up to specified dollar limits subject to the applicable legislation, regulations and procedures in effect at such time.

General Principles

This policy is based on five key principles that allow the College to achieve value for money while following a procurement process that is fair and transparent to all stakeholders.

- **Accountability**
The College must be accountable for the results of their procurement decisions and the appropriateness of the processes.
- **Transparency**
The College must be transparent to all stakeholders. Wherever possible, stakeholders must have equal access to information on procurement opportunities, processes and results.
- **Value for Money**
The College must maximize the value they receive from the use of public funds. A value-for-money approach aims to deliver goods and services at the optimum total lifecycle cost.
- **Quality Service Delivery**
Front-line services provided by the College, such as teaching, must receive the right product, at the right time, in the right place.
- **Process Standardization**
Standardized processes remove inefficiencies and create a level playing field.

A. Supply Chain Code of Ethics

The goal of the Supply Chain Code of Ethics is to ensure an ethical, professional and accountable Broader Public Sector (BPS) supply chain.

Personal Integrity and Professionalism: Individuals involved with Supply Chain Activities must act, and be seen to act, with integrity and professionalism. Honesty, care and due diligence must be integral to all Supply Chain Activities within and between BPS organizations, suppliers and other stakeholders. Respect must be demonstrated for each other and for the environment. Confidential information must be safeguarded. Participants must not engage in any activity that may create, or appear to create, a conflict of interest, such as accepting gifts or favours, providing preferential treatment, or publicly endorsing suppliers or products.

Accountability and Transparency: Supply Chain Activities must be open and accountable. In particular, contracting and purchasing activities must be fair, transparent and conducted with a view to obtaining the best value for public money. All participants must ensure that public sector resources are used in a responsible, efficient and effective manner.

Compliance and Continuous Improvement: Individuals involved with purchasing or other Supply Chain Activities must comply with this Code of Ethics and the laws of Canada and Ontario. Individuals should continuously work to improve supply chain policies and procedures, to improve their supply chain knowledge and skill levels, and to share leading practices.

B. Conflicts of Interest

All procurement activities must adhere to College Policy #4-404- Employee Conflict of Interest.

C. Record Keeping

Departments must ensure that all procurement transactions are authorized, properly recorded, and supported by the appropriate documentation, including any specific documents required to be retained under applicable protocols.

For reporting and auditing purposes, all procurement documentation, as well as any other pertinent information, must be retained in a recoverable form for a period of seven years.

D. Confidentiality and Access to Information

The College must ensure that supplier information submitted in confidence in connection with a procurement process is adequately protected. The Purchasing department and Operating departments must ensure that all bids and contracts are kept in a secure location and only accessible by those individuals directly involved with the procurement project.

The College is subject to the Freedom of Information and Protection of Privacy Act. The Purchasing department and Operating departments must be aware of their obligations in respect of the maintenance, release and management of all procurement records.

Approval Authority Schedule (AAS)

The approval authority schedule for procurement of goods and non-consulting services is established for different dollar thresholds as follows:

| Purchasing Authority Level | Total Value of Commitment | Capital Equipment Purchases | General Supplies & Non-Consulting Services |
|--|----------------------------------|---|---|
| Budget Manager | To \$99,999 | Approval of Requisition | Approval of Requisition |
| Members of the Executive Leaders Team who report directly to the President | \$100,000 to \$499,999 | Approval of Requisition | Approval of Requisition |
| President | \$500,000 to \$999,999 | Approval of Requisition | Approval of Requisition |
| Board of Governors | \$1 Million and above | Approval required where costs are \$1 Million and above and obtained via Board motion | Approval required where costs are \$1 Million and above and obtained via Board motion |

All equipment, services and project purchases between \$500,000 and \$999,999 will be reported on a quarterly basis, for information, to the Board of Governors.

Related Documents

- College Policy #4-404, *Employee Conflict of Interest*
- Administrative Operating Procedure #4-411 OP, *Purchasing*
- Broader Public Sector Procurement Directive issued by the Management Board of Cabinet, effective April 1, 2011.

Appendices

N/A

History of Amendments/Reviews:

| Section(s) | Date | Comments |
|---|---------------|--|
| New policy | October 1983 | <ul style="list-style-type: none">• Board approval of policy on capital equipment and service contracts (Resolution BoG Oct23-1983 #4) |
| Reviewed and revised | March 1989 | <ul style="list-style-type: none">• Board approval of policy and procedure dated February 14/89 (Resolution BoG Mar8-1989 #8) |
| Reviewed and revised | February 1994 | <ul style="list-style-type: none">• Board approval of policy (Resolution BoG Feb2-1994 #3) |
| Reviewed and revised | February 2004 | <ul style="list-style-type: none">• Board approval of policy (Resolution BoG Feb2-2004 #3) |
| Revision of Procurement and Quotation requirements | February 2014 | <ul style="list-style-type: none">• Board approval of policy (Resolution BoG Feb26-2014 #7) |
| New authority level; revised threshold for Board approval | March 2016 | <ul style="list-style-type: none">• Board approval of policy (Resolution BoG March23-2016 #11) |