

Procedure Title:	Procurement Operating Procedure
Procedure ID:	#OP 4-411
Manual Classification:	Section 4 – Corporate Services, Finance
Linked to Policy:	#4-411 Procurement
Originally Approved:	October 1983
Approved by Senior Management Team (SMT):	February 2024
Effective Date:	February 2024
Next Review Date:	2027
Contact for Procedure Interpretation:	Director, Financial Analytics and Purchasing

1.0 - Procedure Overview

Fleming College (the “**College**”) is committed to upholding high ethical, legal, environmental, managerial, and professional standards in the management of the resources entrusted to it.

The Executive Vice President, Corporate Services is responsible for ensuring that this procedure is enforced and that any exceptions to it are documented and approved.

Employees are responsible for understanding and complying with this procedure and associated guidelines to ensure all procurement transactions are properly reviewed and executed.

2.0 - Definitions and Acronyms

Definitions and Acronyms detailed in this Procedure’s linked Policy (4-411 Procurement) apply to this Procedure. In addition, the following definition applies to this Procedure:

Non-Compliant Procurement: The procurement of goods or services outside of a competitive process when a competitive process was required.

3.0 - Scope

This procedure applies to:

- a) The procurement of all goods and services, including consulting services, by the College;
- b) The execution of procurement agreements.
- c) All employees of the College, members of the Board of Governors, as well as anyone acting as a legal agent for the College.

All references to procurement value amounts in this Procedure are expressed in Canadian Dollars (including foreign conversion) and exclude applicable sales taxes. Procurement values represent the total amount of the contract, i.e., in the case of a multi-year agreement, the sum of all payments under the agreement or contract, including all possible extension years.

The obligations for competitive procurement established in this Operating Procedure, along with any requirement for the issuance of a Purchase Order, **do not apply** to the following categories/transactions, but may be subject to other governing legislation or other College policies:

- Advertising
- Art (paintings, original works)
- Audit fees
- Awards and honorariums
- Banking fees
- Catering
- Conference and seminar fees, including course registration for individuals
- Corporate memberships or subscription fees
- Corporate training for individuals
- Courier, customs and freight charges
- Customs brokerage fees
- Debt payments
- Donations
- Hiring of College employees
- Insurance premiums
- Interest payments
- Leasehold or rental payments
- Legal costs
- Licences, excluding software licences
- Payments under Ministry contracts
- Payroll costs
- Periodical subscription fees
- Postage
- Purchases between government agencies
- Real estate fees
- Recruitment costs on executive search
- Refunds/relocation fees
- Sponsorship fees
- Taxes
- Trainers and guest speakers
- Travel related fees (see Travel, Meal and Hospitality Procedure for details)
- Utilities

4.0 - Procurement Protocols

4.1 The College is required to conduct Competitive Procurement processes as per Table 4.4 Procurement Thresholds and Procurement Process Requirements for Goods and Services, and Table 4.5 Procurement Thresholds and Procurement Process Requirements for Consulting Services.

4.2 Where the College has established Procurement Contracts or Collaborative Agreements (i.e. Vendor of Record arrangement), College Departments shall procure goods and/or services against these contracts or from these suppliers.

4.3 Goods and services shall not be split into multiple lower dollar value requisitions or invoices in order to avoid compliance with this Procedure or applicable law. The total procurement value shall include all costs over the life of the contract including all optional extension years, including but not limited to, the cost of the good or service, the cost of associated warranties, maintenance, and service agreements, but shall not include applicable taxes.

4.4 To achieve a College standard of quality and compatibility, and to support the College’s internal departments, the following categories shall be vetted, by the originating Department, through the appropriate Consultation Department prior to any commitment. The process remains the same regardless of the limit for competitive quoting:

Category	Consultation Department	Purpose
Legal Services	President’s Office	Conformity to established practices
Advertising and Promotional Materials	Marketing and Communications	Conformity to established practices and brand standards
Multimedia A/V equipment (classroom and non-classroom use)	Information Technology	Conformity to established standards and compatibility with existing equipment
IT Hardware infrastructure (desktop, laptop, tablet, printers, scanners, servers, network gear, telecommunications etc.)	Information Technology	Conformity to established standards and compatibility with existing equipment
Computer Software (including online, cloud, hosted services, and mobile apps)	Information Technology	Conformity to established standards and compatibility with existing systems and infrastructure
Building Infrastructure including Furniture, Fixtures, and Equipment; Utilities, Service Contractors	Physical Resources	Conformity to established standards
Chemicals and Hazardous Materials	Physical Resources	Conformity to established standards

4.5 Non-Competitive Procurement: Non-Competitive Procurement represents a departure from the policy, as set out in sections 4.5 and 4.6. Non-competitive procurement must be accompanied by the non-competitive purchasing form, which outlines the rationale for non-compliance. Non-compliance must be approved in advance of the purchase by the following:

- a) Purchases \$75,000 and below: Director Purchasing
- b) Purchases \$75,001 and above: VP, Finance

All such requests for using Non-Competitive Procurement must be approved in advance before the procurement process begins. If the Non-Competitive procurement is not approved in advance, it runs the risk of not being approved and the vendor not being paid.

4.6 Requests for Non-Competitive Procurement: In order to obtain approval for Non-Competitive Procurement, the purchaser must make a formal request using the applicable form, as contained on the Procurement Department website, with a written explanation as to why it would be impractical or otherwise inappropriate to put the Good or Service out for competitive procurement. Such requests should include specific requirements of the Good or Service, evidence that an objective market analysis has been undertaken and that the cost charged by the vendor is fair and reasonable. If the Good or Service is being purchased through a distributor of the manufacturer, whereby a sole source distribution relationship exists, a letter from the manufacturer should be obtained indicating a relationship exists between the parties.

4.7 Granting Use for Non-Competitive Procurement: The use of Non-Competitive Procurement may be utilized only in situations outlined in CFTA and CETA. These situations include:

- a) If no tenders were submitted or no suppliers requested participation (provided that the requirements of the tender documentation are not substantially modified);
- b) If no tenders that conform to the essential requirements of the tender documentation were submitted (provided that the requirements of the tender documentation are not substantially modified);
- c) If no suppliers satisfied the conditions for participation (provided that the conditions of the tender documentation are not substantially modified);
- d) If the submitted tenders were collusive (provided that the conditions of the tender are not substantially modified);
- e) If the goods or services can be supplied only by a particular supplier and no reasonable alternative or substitute goods or services exist for any of the following reasons:
 - the requirement is for a work of art;
 - the protection of patents, copyrights, or other exclusive rights;
 - due to an absence of competition for technical reasons;
 - the supply of goods or services is controlled by a supplier that is a statutory monopoly;
 - to ensure compatibility with existing goods or to maintain specialized goods that must be maintained by the manufacturer of those goods or its representative;
 - work is 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;
 - work is to be performed on a leased building or related property, or portions thereof, that may be performed only: by the lessor; or
 - the procurement is for subscriptions to newspapers, magazines, or other periodicals;
- f) For additional deliveries by the original supplier of goods or services that were not included in the initial procurement, if a change of supplier for such additional goods or services:
 - cannot be made for economic or technical reasons such as requirements of interchangeability or interoperability with existing equipment, software, services, or installations procured under the initial procurement; and
 - would cause significant inconvenience or substantial duplication of costs for the procuring entity;

- g) If strictly necessary, and for reasons of urgency brought about by events unforeseeable by the College, the goods or services could not be obtained in time using open tendering;
- h) For goods purchased on a commodity market;
- i) If a procuring entity procures a prototype or a first good or service that is developed in the course of, and for, a particular contract for research, experiment, study, or original development.
- j) For purchases made under exceptionally advantageous conditions that only arise in the very short term in the case of unusual disposals such as those arising from liquidation, receivership, or bankruptcy, but not for routine purchases from regular suppliers;
- k) If goods or consulting services regarding matters of a confidential or privileged nature are to be purchased and the disclosure of those matters through an open tendering process could reasonably be expected to compromise confidentiality, result in the waiver of privilege, cause economic disruption, or otherwise be contrary to the public interest.

Where no exemption exists, and the President of the College has assessed that it is in the College’s best interest to procure a good or service through a single source, non-competitive procurement may be utilized.

4.8 Procurement Process and Approval Schedules: All procurement shall be executed in accordance with the appropriate procurement process as outlined in the schedules below and in accordance with the Procurement Operating Procedure.

The Approval and Signing Authority Schedule must be consulted to ensure that the appropriate person(s) approve(s) the procurement and sign any resulting documentation. This schedule is to be followed in all cases where the contractual financial commitment falls within the existing approved project/expense budget.

These schedules may be amended from time to time to conform to government public accountability directives.

4.9 Procurement Thresholds and Procurement Process Requirements for Goods and Non-Consulting Services

Total Procurement Value	Means of Procurement	# of Quotations	Responsibility
\$0 to \$24,999	Corporate Credit Card * or Direct payment from invoice	One (1) quote (minimum)	Department via verbal or written quote
\$25,000 to \$74,999	Purchase Requisition and Purchase Order.	Two (2) written quotes (minimum)	Department via written quote
\$75,000 to \$121,199	Purchase Requisition and Purchase Order	Three (3) written quotes	Department via written quote
\$121,200 and greater	RFx, Purchase Requisition and Purchase Order	Open Competitive process posted on	Formal RFx managed by

		public tender site(s)	Procurement Services.
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* Where possible, a corporate credit card should be used for any purchase under \$5,000

4.10 Procurement Thresholds and Procurement Process Requirements for Consulting Services

Total Procurement Value	Means of Procurement	# of Quotations	Responsibility
\$0 to \$121,199	Purchase Requisition and Purchase Order.	Three (3) invitational written quotes	Three or more written quotes obtained by the Department
\$121,200 and greater	RFx, Purchase Requisition and Purchase Order	Open Competitive process	Formal RFx managed by Procurement Services.

4.11 Approval Authority Schedule (AAS) for Requisitions and Invoices

The approval authority schedule for requisitions and invoices for procurement of goods, non-consulting services, and consulting services is established for different dollar thresholds as follows (refer to Appendix A Commitment Authority):

Approval Authority Schedule for Requisitions and Invoices	Total Value of Commitment
Budget Manager	Up to \$99,999
Members of the Senior Management Team (SMT) reporting directly to the President	\$100,000 to \$499,999
President	\$500,000 to \$999,999
Board of Governors	\$1 Million and above

5.0 Related Documents

- Broader Public Sector Procurement Directive issued by the Management Board of Cabinet, effective July 1, 2011, Updated January 1, 2024
- Canadian Free Trade Agreement (CFTA)
- Comprehensive Economic and Trade Agreement (CETA)
- Ontario Centralized Procurement Initiative
- Accessibility for Ontarians with Disability Act (AODA)
- Freedom of Information and Protection of Privacy Act (FIPPA)
- Procurement Policy (4-411)
- Conflict of Interest Procedure (3-344)
- Signing Authority Procedure 4-417 and procedure 4-417 OP
- Non-Competitive Approval Form

6.0 History of Amendments/Reviews

Date	Action
October 1983	Original Approved
March 1989	Reviewed, revised and approved
February 1994	Reviewed, revised and approved
February 2004	Reviewed, revised and approved
February 2014	Requirements added, reviewed and approved
March 2016	New authority level, revised threshold, reviewed and approved
January 2022	Reviewed, revised and approved
February 2022	Reviewed and approved
February 2024	Reviewed and approved