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<i>Issued by:</i> Manager, Procurement Services	<i>Approved by:</i> Vice-President, Finance and Operations

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1. INTRODUCTION

The University generates a requirement for goods and services that matches the scale and diversity of its academic programs and research activities. Responsibility for identifying [operating, research and capital] purchasing requirements is shared by faculty and staff throughout the institution with oversight and management of the purchasing process resting with the Procurement Services Department.

This Policy applies to purchases funded through all accounts administered by StFX including research grants and contracts.

This Policy outlines the following elements of the University purchasing process:

- purchasing authority and responsibilities within the University
- code of conduct
- acquisition of goods and services
- receiving goods & services
- disposal of surplus materials
- returns for credit
- Information about Procurement Services, supplier agreements and purchasing procedures can be found on the [Procurement web site](#)

DEFINITIONS

“Employee” for the purposes of this policy includes University employees and individuals authorized to purchase on University accounts.

2. POLICY

2.1. PURCHASING AUTHORITY AND RESPONSIBILITY

Procurement Services is responsible for ensuring compliance and management of all purchasing activities on behalf of the University except for the departments noted below. Before initiating any purchasing transaction, an Employee must have such authority delegated to them under university policies relating to spending authority.

All purchases must be made with a view to maximizing value for each dollar disbursed, and as a general rule business shall be placed with those organizations offering the most favorable combination of quality, service and price in consultation with the end user.

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The following departments are authorized to order directly from suppliers of goods and services:

- Athletics Department
- Advancement Department
- Extension Department
- Campus Store
- Angus L. MacDonald Library (purchase of books and related materials only) & Marie Michael Library

2.2. CODE OF CONDUCT

The following code of conduct shall apply to employees of St. Francis Xavier University involved in procurement activities. Disciplinary action may be taken for noncompliance with this policy.

Should individuals have questions or concerns about a particular circumstance or event in relation to this code of conduct, the matter should be raised with the person to whom they report.

2.2.1. ETHICAL PRACTICES

In striving to achieve StFX's objective of social responsibility and community service through education, research and professional service, it is the responsibility of all those involved in University procurement activities to work to maintain the good name of the University, to foster good relations between the University and its suppliers, and to keep in mind that personal contacts form much of the basis of the suppliers' opinion of the University.

In personal contacts with suppliers, each Employee represents the University and should reflect and present the interest and needs of "all" departments, setting aside, if need be, a narrower point of view. The following ethical practices must be adhered to:

- > To consider first, the interest of one's organization in all transactions and to carry out and believe in its established policies.
- > To be receptive to competent counsel from one's colleagues and be guided by such counsel without impairing the responsibility of one's office.
- > To buy without prejudice, seeking to obtain the maximum value for each dollar of expenditure including the total cost of ownership (aspects such as service level requirements, maintenance, consumables, warranty, availability and timeliness of supply).
- > To strive for increased knowledge of the materials and processes of manufacture, and to establish practical procedures for the performance of one's responsibilities.
- > To participate in professional development programs to enhance purchasing knowledge and performance.
- > To subscribe to and work for honesty in buying and selling and to denounce all forms of improper business practice.
- > To accord a prompt and courteous reception to all who call on a legitimate business mission.
- > To counsel and assist fellow purchasers in the performance of their duties.

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- > To cooperate with all organizations and individuals engaged in activities which enhance the development and standing of purchasing and materials management.

2.2.2. DECLARATION OF INTEREST

All individuals engaged in procurement activities at StFX are expected to be free of interests or relationships which are actually or potentially detrimental to the best interest of the University.

Any personal interest which may impinge or might reasonably be perceived by others to impinge on an Employee's impartiality in any matter relevant to the fulfillment of his or her duties should be immediately declared to his or her employer.

2.2.3. GIFTS AND GRATUITIES

To preserve the image and integrity of the employee, StFX and the profession, business gifts other than items of small intrinsic value should not be accepted. Reasonable hospitality is an accepted courtesy of a business relationship. The frequency and nature of gifts or hospitality accepted should not be allowed where the recipient might be, or might be perceived by others as having been, influenced in making a business decision as a consequence of accepting such hospitality or gifts.

In addition, loans are not to be accepted from parties having prospective dealings with St. Francis Xavier University, unless such parties (e.g. bank or credit union) are in the business of making loans to individuals.

2.2.4. CONFIDENTIALITY AND ACCURACY OF INFORMATION

The transactions related to procurement activity are confidential in nature and should be treated as such, especially regarding our suppliers. It is considered unethical as well as damaging to St. Francis Xavier University's reputation to allow information about one supplier's quotation to be passed on to another supplier. This includes indirect methods such as overheard telephone calls, documentation left on a desk during vendor interviews and conversations between Employees within the hearing of suppliers. All documents and files within Procurement Services are to be maintained in a confidential manner, and access to these files or other purchasing related documentation shall be restricted to those authorized by the Manager, Procurement Services, within the legal guidelines for public procurement.

Information given in the course of one's participation in procurement activity must be true and fair and not designed to mislead or misrepresent.



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3. PROCEDURE

3.1. ACQUIRING GOODS AND SERVICES

3.1.1. PURCHASING CATEGORIES

The process to follow in procuring goods and services depends upon the estimated dollar value of the proposed purchase.

3.1.2. PURCHASES UNDER \$1,500

Purchases with an estimated value under \$1,500 may be made using any of the following methods:

- Purchase Credit Card (P-Card)
- Purchase Requisition

Quotations are not required; however, it is recommended that more than one supplier be considered for the supply of the product or service to maximize value.

3.1.3. PURCHASES BETWEEN \$1,500 AND \$5,000

Purchases with an estimated value between \$1,500 and \$5,000 must be initiated with a Purchase Requisition followed by a Purchase Order. At least one quotation is required; however quotations from more than one supplier are recommended.

3.1.4. PURCHASES OVER \$5,000 THAT DO NOT REQUIRE A BID PROCESS

Purchases with an estimated value within the following ranges must be initiated by a Purchase Requisition followed by a Purchase Order, and require Procurement Services to obtain at least three quotations where possible:

Goods	\$5,000 - \$ 25,000
Services	\$5,000 - \$ 50,000
Construction	\$5,000 - \$100,000



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3.1.5. PURCHASES THAT REQUIRE A BID PROCESS

Purchases with an estimated value that will exceed the amounts stated below must be made following a Public Tender, Public Vendor Qualification or a Request for Proposals process as determined by Procurement Services. Purchase requirements for goods and services in this category can be initiated with a Purchase Requisition or by contacting Procurement Services directly.

- Goods \$ 25,000
- Services \$ 50,000
- Construction \$100,000

3.1.6. LEASE / RENTAL OF EQUIPMENT

Requests for lease or rental agreements must be initiated by contacting Procurement Services using the standard requisition process. These agreements are negotiated by Procurement Services and exclude short term vehicle rentals (less than 30 days).

3.1.7. QUOTATIONS

Quotations obtained as part of a purchasing process must reflect the method of calculation most appropriate for the estimated cost and/or nature of the goods and services under consideration. Estimated costs must include the price of the goods or services, all taxes, freight charges, insurance, customs, currency exchange and other related costs.

3.2. PURCHASING METHODS

Procurement Services can help determine the best purchase method for your needs. Please contact Procurement Services at 867-3994 and we will be happy to assist you.

We will take into consideration budget; spend level; currency rates of exchange; existing supplier agreements, and a number of other factors to determine the best method for your requirements.

3.2.1. PURCHASING CARD

The use of a Purchase Card (P-Card) is intended to streamline and expedite the purchasing process for low dollar value purchases. It is used in the same manner as a credit card, and can be used where the supplier accepts credit card transactions for purchases under \$1,500 Canadian.

The P-Card holder is required to provide complete monthly online reconciliation and required documentation supporting their transactions. Return of product purchased on a P-Card is the responsibility of the P-Card holder. Procurement Services can assist you if necessary.

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Details of the P-Card program (including a description of eligible and ineligible expenditures) are available [here](#).

3.2.2. PURCHASE REQUISITION

A purchase requisition provides authorization for Procurement Services to initiate a purchase transaction.

Fully completed purchase requisitions must be forwarded to Procurement Services for review and approval. Assistance in the preparation of a Purchase Requisition is available from Procurement Services.

Upon approval of the purchase requisition, Procurement Services creates a Purchase Order and issues it to the supplier. Once the supplier accepts the terms of the Purchase Order, the Purchase Order becomes a contract between the University and the supplier.

A copy of the Purchase Order is available on MesAmis for the Employee who submitted the Purchase Requisition to confirm the transaction, and as a reference for the receiving process and the terms of the contract.

3.2.3. BID PROCESS

To initiate a purchase using a bid process, Employees may submit a completed purchase requisition or contact Procurement Services. Procurement Services determines which bid process will be used in the circumstances.

There are three types of bid process:

- **A public tender** is a formal solicitation document inviting binding proposals for delivery of goods, services and construction. The public tender process will assess the total evaluated cost for each offer including assessment of maintenance, on-going operating costs such as consumables and warranty details. In a Tender, the requirements are clearly defined with price, work schedule, and delivery, representing some of the evaluation criteria. All suppliers who submit a bid will be informed of the award results.
- **A request for proposal (RFP)** is a process used primarily for those situations where there are generic specifications or requirements and the purchaser wants to obtain products or services which best meet their needs. For example, there may be differences in the materials or equipment configuration which are proprietary to a particular supplier. Such differences can impact on the proposed solution to satisfy University needs. In such instances, bidding suppliers are asked to provide a detailed recommendation on how the project should proceed and a breakdown of the goods or services required. The process for issuing a request and receiving proposals is the same as for public tenders.
- **A public vendor qualification** is a process during which vendors are pre-qualified before they are able to participate in a bid process. This document solicits vendors for the purpose of identifying and pre-qualifying capable vendors based on specific criteria.

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Procurement Services manages all aspects of the bid process with input from the Employee and/or Department requesting the purchase as required, particularly in relation to the preparation of the request for proposals and bid specifications.

All communications with potential suppliers must be made by Procurement Services and the designated technical competency identified in the bid document(s). Communication outside of this process could undermine the integrity of the process resulting in a failed bid or proposal that may have legal consequences.

An intention to request a public bid response will be advertised on the Interuniversity Services Inc. (ISI) website. Procurement Services is responsible for advertising such opportunities and distributing the appropriate tender documents. Suppliers' responses must be sealed and received by Procurement Services on or before the specified date and time.

The issuing of a Tender, any addenda and/or extensions shall be completed by Procurement Services. Under no circumstances will other University departments or parties professing to act on behalf of the University issue any documents directly to suppliers or contractors in a Tender/RFP process unless approved by Procurement Services.

3.2.4. SOLE/SINGLE SOURCE

The only exception to the competitive bid procedure will be in the following situations:

- a. **Single or Sole Sourcing:** Defined as the practice of using one supply source without a competitive bidding process for a justifiable reason. This purchase method will be used only in narrowly defined circumstances, such as an urgent need, to match existing equipment, or where competitive bids could not be obtained.

Procurement Services will review the rationale of a sole/single source procurement based on the requisitioner's investigation, evaluation and documentation of alternate sources of supply.

In order to satisfy the requirements of sole/single source award and waiving the requirements for competitive sourcing, the requisitioner must show the inability to locate a similar or compatible product (or the rejection of similar product), is based solely on the product's failure to meet the requester's specific, necessary specifications and operational requirements.

In cases where an alternate Supplier for a similar product cannot be identified, the requester must document that a good faith effort has been made in seeking other sources.

The use of a single or sole source must be justified and documented in advance by the Employee using on the [Sole Source Certification](#) form and signed by the Requisitioner, Departmental Head, Dean or Administrative Director and the appropriate Vice-President. Procurement Services reserves the right to further negotiate with such suppliers. **Please contact Procurement Services at ext. 3994 to discuss your requirements.**

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3.3. OTHER PURCHASING PROCESSES

Any purchase requirement that cannot be processed by one of the methods described above will be administered by Procurement Services on a case-by-case basis.

4. RECEIVING GOODS AND SERVICES

It is the responsibility of Central Receiving at StFX to complete the physical receipt of goods and services according to the terms and conditions that were defined on the purchase order or agreed to when the P-Card transaction was initiated. Please click [here](#) for guidelines for the receipt of goods and services.

Personal shipments are not to be addressed to the University and will not be processed by Procurement Services or Central Receiving.

5. CANADA CUSTOMS & REVENUE AGENCY

All goods imported into Canada will be inspected by Canadian Customs and are subject to HST (collected by our customs broker) and may be subject to duty depending on the type of goods, end use and location of manufacture. Suppliers of these goods are required to complete a Canadian Customs Invoice or a Commercial Invoice.

Please click [here](#) to view additional information on the importation of goods and services to StFX.

6. DISPOSAL OF SURPLUS MATERIALS

Surplus and obsolete materials are the property of St. Francis Xavier University, and should be disposed of in a manner that maximizes the value that the University receives for the materials. Please click [here](#) for the complete procedure

7. RETURNS FOR CREDIT

Employees must notify Procurement Services when items are to be returned for credit unless purchased using a P-card (click [here](#) to view the P-Card policy).

Procurement Services will obtain Return Goods Authorization instructions from the supplier concerning how, where, and when items should be returned and arrange the return with Central Receiving.