

UNIVERSITY OF KING'S COLLEGE



Guide to Financial
Management



Purchasing & Payments to
Suppliers

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PURCHASING POLICY

1. INTRODUCTION

As a public institution, the University of King's College ("the University") has a fiduciary responsibility to act in a fair and transparent manner in such a way that provides the highest degree of value to the University. University purchasing activities must be conducted in accordance with this responsibility.

This document is designed to facilitate an understanding of the University's purchasing policy and procedures ("the policy"). Purchasing in accordance with this policy is the responsibility of the acquiring department/program acting under the direction of the Accounts Payable Officer and the authority of the Bursar. This policy has been developed to ensure that University funds are responsibly managed and used effectively and economically. This policy describes the purchasing authority and responsibilities for purchasing within the University along with the processes for the acquisition of goods and services.

The University is classified as a public sector entity by the Province of Nova Scotia; it is guided by the terms and conditions set forth in the Nova Scotia [Public Procurement Act](#) and the [Canadian Free Trade Agreement \(CFTA\)](#). The Atlantic Premiers signed a memorandum of understanding ([MOU for the Atlantic Trade and Procurement Partnership \(ATPP\)](#)) in January 2019. It replaces the Atlantic Procurement Agreement (APA) and commits the provinces to harmonize trade and procurement processes, work together to improve the regional business climate and help businesses to compete. The ATPP implements the [procurement thresholds](#) for public tenders contained in the CFTA.

These documents were developed to eliminate all forms of discrimination among public entities within the participating jurisdiction by providing details of public bidding requirements. The University will adhere to the principals of transparency, accountability, managing risk and standardizing practices to ensure taxpayers are getting the best value for their dollars and suppliers are getting every chance to compete in a fair and equitable manner.

2. PURPOSE

Since the dollar value of goods and services purchased is second only to employee compensation, it is imperative that the University community continually strives for lower costs and best value in every area of the University's operations. Purchasing is a vital activity with a goal of acquiring goods or services for the University in such a manner as to maximize the value to the University community with respect to purchase price and life-cycle cost considerations, quality, environmental and social factors, delivery, servicing, and operational performance. This Policy is intended to provide the foundation and guidance for meeting these objectives.

It is the objective of the University to expend funds for the purchase of goods and services in such a manner as to obtain the maximum possible value for each dollar disbursed subject to the terms and conditions made by grantors, government agencies and sound procurement practices. As a general rule, business will be placed with those suppliers offering the most favorable combination of quality, service and price. To achieve these objectives, the responsibilities, authorities, controls and procedures set forth in this policy must be adhered to and respected by all employees of the University.

3. SCOPE

This Policy is intended to cover the purchase of all goods and services on behalf of the University including but not limited to academic programs, administrative departments, capital and restricted funds, and research grants. Some purchases may not require a purchase order (PO) for reasons such as materiality, timelines or special circumstances. Exceptions will be decided on a case-by-case basis by the Bursar's Office and will need to be documented.

It is important to note that the University does not have a central purchasing department and, as such, purchasing activities are decentralized. The department/program that administers a budget and will be making purchases on behalf of the department/program within the approved budget shall be referred to herein as the "acquiring department/program". All employees of the University involved with purchasing have a responsibility to become familiar with the authorities and procedures set forth in this policy and to abide by them. Any difficulties encountered with suppliers that cannot be resolved satisfactorily by the acquiring department/program should be brought to the attention of the Bursar's Office.

4. DEPARTMENTAL AND PROGRAM RESPONSIBILITIES

Each acquiring department/program has the responsibility for the procurement, within its allotted budget, of all its goods and services. With the guidance of the Accounts Payable Officer, the acquiring department/program assumes the responsibility for ensuring that pricing and quality considerations are reasonable and are in the best interests of the University. The Bursar's Office and each department/program are responsible for maintaining effective professional relationships with suppliers.

Each department/program is expected to purchase from the approved ISI (Interuniversity Services Inc.), CAUBO (Canadian Association of University Business Officers) and Provincial standing offer supplier lists unless it can be clearly demonstrated that better pricing with equal

quality/service can be secured with an alternate supplier. Refer to section 7 of this policy for more details. New suppliers require approval from the Bursar's Office before purchases are made.

Legal documents or contracts requiring the signature of a signing officer of the University must in all cases be referred to the Bursar.

5. PURCHASING PROCEDURES

a. Purchase Orders (POs)

Most non-compensation-related University purchases require an approved PO. POs are central to the purchasing, invoicing and payment process for most non-compensation-related expenses at the University. The purpose of a PO is to authorize a purchase in advance of the expenditure being made and to ensure pricing commitments made by suppliers are maintained. It indicates to the Bursar's Office that the expenditure was approved so that the invoice may be paid. Examples of expenditures not requiring a PO include utilities, insurance, etc. The purchasing process begins within an acquiring department/program identifying a need, considering alternatives which can satisfy the need and selecting the best alternative.

Depending on the dollar value and nature of the purchase, in consultation with the Accounts Payable Officer, the acquiring department/program will need to select a purchasing path (refer to section 7). The purchasing path determines the level of involvement of the acquiring department/program and the Bursar's Office.

At the completion of the purchasing process, an electronic purchase requisition is completed (which is the first step in creating a PO) with the approval of the appropriate acquiring department/program individual holding the required level of signing authority (i.e., budget manager). Goods and/or services are not to be delivered until a PO is approved and sent to the selected supplier and the acquiring department/program.

The University accepts no responsibility for the payment of invoices resulting from unauthorized purchase commitments. A contract does not exist between the University and a supplier until an official PO has been issued and accepted. If a quotation has been received from a supplier, a contract only exists when the purchase order is issued in accordance with the terms of the quotation. The Bursar's Office reserves the right to withhold payment to a supplier where a PO has not been issued to the supplier in advance of receiving the goods or services.

b. Cancellation, Modification, Overspending of Purchase Orders

POs can be cancelled or amended by the budget manager after they have been issued so long as the total value of the PO has not been exceeded. When the total dollar value of invoices received on a PO exceed the total dollar value of the PO by 10%, additional approval is required by the Bursar in order to issue payment.

c. Payment Processing

Invoices will be processed bi-weekly for payment. All completed and signed documentation for payment (POs, invoices, cheque/EFT requisitions, confirmations of receipt of goods and services, etc.) must be submitted to the Bursar's Office by Monday of the payment week so that payment

may be issued in a timely manner. All supplier invoicing should be directed to the Bursar's Office and addressed to the University of King's College or electronically to accountspayable@ukings.ca in order to ensure timely payment.

Electronic funds transfer (EFT) payments are the primary means of paying domestic vendors. Cheques will only be produced in exceptional circumstances such as petty cash replenishments, municipal permits, etc. Employee expense reimbursements or honoraria will be paid through the payroll system. For payments to the United States or other international payments, refer to Foreign Payments below.

d. University Credit Cards

The distribution of university credit cards is limited to those employees who do the majority of purchasing for a department/program or those individuals who travel on university business frequently. University credit cards are only to be used for university-related expenditures. Liability for payment of charges on university credit cards rests with the University. The cardholder is not personally liable for any charges providing the card has been used in accordance with this policy.

The Accounts Payable Officer in the Bursar's Office is responsible for the issuance of new university credit cards and the setting of credit limits, transaction limits and temporary credit limits increases with authorization from the Bursar.

All original detailed receipts for university credit cards must be submitted to the Bursar's Office monthly by the 14th of the month for reconciliation and processing. Summarized credit card receipts are not acceptable. For example, a summarized restaurant receipt will not show the breakdown of the items purchased nor the amount of harmonized sales tax (HST) paid. As a result, the University is not able to claim an HST rebate based on summarized credit card receipts and the department/program will bear the full cost of the purchase including the HST. Missing receipts will be deemed to be a personal expense and may be deducted from the employee's pay the following month. If original receipts are not received on a recurring basis, the Accounts Payable Officer may suspend the university credit card.

e. Travel Expense Claims

University credit cards should be used where possible for travel expenses with the exception of meals (if per diems are being claimed) and gas (if mileage is being claimed). Rates for per diems and mileage reimbursement are in accordance with [Dalhousie University's Travel Expense Policy \(Appendix A\)](#). If meals are requested to be reimbursed based on receipt rather than per diem, the maximum amount that will be reimbursed is the per diem amount. For employee reimbursement of travel expenses not charged to a university credit card, refer to Employee Reimbursements below.

f. Cheque Requisitions/EFT Requisitions

Cheque/EFT requisition forms are to be completed for such expenditures as employee (also refer to Employee Reimbursements below) and non-employee reimbursements, petty cash replenishments (refer to [Petty Cash Policy](#)), supplier pre-payments, student account refunds, non-PO purchases (i.e., when no invoice is available - such as licences, registration fees and building permits) and non-employee honoraria (employee and student honoraria are paid through the

payroll system – see below). There are three types of cheque/EFT requisition forms: [regular](#), [Canadian honorarium](#) and [non-resident honorarium](#).

Cheque/EFT requisitions should be completed in full and approved by the budget manager and sent to the Accounts Payable Officer along with itemized receipts. Summarized credit card receipts are not acceptable. For all honoraria payments, supporting documentation must include an invoice copy, original detailed receipts and payee details including a mailing address. Social insurance numbers shall be obtained by the Accounts Payable Officer over the phone for entry into the financial system and shall not be documented on paper or stored outside of the secure financial system. A cheque cannot be issued until this information is received by the Accounts Payable Officer. A T4A for income tax purposes will be issued to the individual in February.

g. Employee Reimbursements

Employees have two options to request reimbursements for out-of-pocket expenses incurred on behalf of the University. An employee can request reimbursement through the Out-of-Pocket feature in the Centresuite system or they may submit a cheque/EFT requisition as described above. All receipts should include appropriate details and an explanation where applicable. Expense reimbursements must be approved by the budget manager in the department/program for which the expenses will be charged. If a budget manager requests reimbursement for expenditures they incurred personally on behalf of the University, the reimbursement request must be approved by their immediate supervisor. Employee reimbursements are processed bi-weekly and are direct-deposited into the employee's payroll bank account.

h. Petty Cash

Small dollar purchases should be made on university credit cards wherever possible; however, when a university credit card cannot be used, reimbursements will be made via EFT payment (for non-employee reimbursement) or through the payroll system (for employee reimbursement). Now that EFTs/direct deposit are the primary means of paying domestic vendors, the need for petty cash has greatly diminished. Petty cash will still be available in some circumstances at the discretion of the Bursar. For replenishment of petty cash funds, a completed Cheque/EFT Requisition along with supporting receipts/vouchers and a Petty Cash Count Sheet should be forwarded to the Accounts Payable Officer in the Bursar's Office for reimbursement. Refer to the [Petty Cash Policy](#) for additional information.

i. Foreign Payments

Payments to foreign vendors or individuals are done via wire on a monthly basis by the Accounts Payable Officer. Departments/programs requesting foreign payments shall bear the cost associated with the wire payment.

Reimbursements, honoraria, or invoices to be paid in a foreign currency should be clearly marked as such and be accompanied by documentation that supports the payment amount and the reason for payment.

j. Returns for Credit

All employees must notify the Accounts Payable Officer when items are returned for credit. A return authorization (RA) number should be obtained from the supplier and forwarded to the

Accounts Payable Officer so they are aware that a credit note is forthcoming in order to ensure proper payment processing.

k. Honoraria for Employees and Students

Honoraria for employees and current students will be paid through the payroll system. Details regarding honorarium amounts and recipients are to be sent to the Payroll Officer. Amounts will be paid in the following payroll processing period. Honoraria payments are taxable and the amount will be included on the recipient's T4 at the end of the taxation year. Payments to current students for employment-related services shall be made via the payroll process only. Under no circumstances shall such payments be made in cash.

l. Ownership of Assets and Inventory

All assets (including but not limited to furniture, equipment, mobile devices, computer hardware and software, library books, supplies, intellectual property) purchased with university funds (operating, capital, grant, research, or donor funds) are owned by the University. The University is responsible under research grants, contracts, and agreements for the custody of equipment purchased from the funds provided. For more information, refer to the [Research Equipment Policy](#).

All University employees must ensure that assets in their custody are well maintained and safeguarded and may be responsible for any loss or damage due to willful negligence.

m. Disposal of Surplus Furniture, Equipment and Supplies

Surplus and obsolete assets are the property of the University. All sales/disposals of university assets must be coordinated through the Bursar's Office to ensure proper record maintenance and excise tax treatment.

n. Purchasing From Employees

Purchases of goods or services from employees or from those which have a personal interest with a university employee cannot be made without prior written consent from the Bursar. Also refer to the [Policy on Conflict of Interest](#) for further details.

o. Purchasing For Students

No Academic Program, Administrative Department, or Research Department may sell goods and/or services directly to students unless the process is reviewed by the Bursar's Office for the collection and receipt of cash. The [Cash Handling Policy](#) should be followed to ensure the proper handling and safeguarding of cash and equivalents. Materials, software licences, equipment and/or services are purchased for the exclusive use of university staff both in the administrative and academic areas. Many of these goods and services have specific tax implications for the University because they are used directly and predominately in teaching or research. As a condition of these tax regulations, goods may not be resold or rented without first assessing the tax implications.

p. Purchasing Using Research Grants

The awarding documentation of university research grants generally states that any materials, computer and phone hardware and software, equipment and supplies that are purchased by the recipient of the grant are to become the property of the University. As such, research grant holders are to follow normal purchasing and requisitioning procedures within this policy in the purchase of their goods and services. Refer to the [Research Equipment Policy](#) for more information.

q. Gift Cards

University funds should not be used for the purchase of gift cards unless approved in advance by the Bursar's Office. A gift card is deemed taxable income to the recipient and a T4A will be issued.

r. Payments to Contract Workers

All payments to contract workers/employees must be made directly by the University for T4/T4A purposes. If University employees pay contract workers out of their personal funds, they will not receive reimbursement from the University.

s. Standardization of Supplies, Materials and Equipment

Standardization of all supplies, materials and equipment is to be achieved wherever possible. A University-wide effort to support and fill consolidated requirements in standard commodities (i.e., stationery, computer equipment, etc.) allows the economical purchase of materials and supplies on a university-wide basis and therefore assists in optimizing cost reductions. It is University policy to achieve standardization of supplies, materials and equipment. The Bursar's Office will establish a preferred supplier list for specific goods (paper, stationery, courier, etc.). Authorization is required from the Bursar's Office to purchase standard materials from a supplier that is not on the preferred list.

t. Purchase of Hazardous Materials

This component of the policy applies to all purchases classified as hazardous materials under the federal government legislation known as the Workplace Hazardous Materials Information System (WHMIS). In accordance with WHMIS, all purchases of hazardous materials require Safety Data Sheets (SDSs) to be supplied from the manufacturer. Proper instructions for hazardous material usage must be made available to university staff and students using the product. All disposals of hazardous materials should be coordinated with the Director of Facilities Management and the acquiring department/program is responsible for expenses related to the removal of any hazardous materials following their purchase. It is the responsibility of individual faculty and staff to ensure that the requirements of the policy are met.

6. SIGNING AUTHORITY

Expenditures are to be properly authorized and within the limitations of the acquiring department's/program's budget. In addition to the authorizations outlined below, expenditures are also subject to budget availability.

- a. Expenditures under \$5,000 may be authorized by a Department Head/Program Director and/or designate. The designated individual should be accountable for the budget in addition to the Department Head/Program Director.

- b. Expenditures greater than \$5,000 but less than \$11,500 may be authorized by a Department Head/Program Director.
- c. Expenditures greater than \$11,500 but less than \$57,300 require the authorization of the Bursar or the Controller (or one of the other signing officers if unavailable – see below) in addition to the Department Head/Program Director of the acquiring department/program.
- d. Expenditures exceeding \$57,300 require the authorization of two signing officers (Chair of Board of Governors, Treasurer of Board of Governors, President, Vice President, Bursar, or Controller). This is in addition to the authorization of the Department Head/Program Director.

In addition to the authorizations noted above:

- e. Expenditures of research grants are to be authorized by the Principal Investigator (PI) (research grant holder) or their designate. Please refer to the [Spending Authority for Research Funds](#) policy for more information.
- f. Legal documents or contracts requiring the signature of a signing Officer of the University must in all cases be referred to the President or Bursar.
- g. Expenditures for University-paid mobile phones must be coordinated through the Accounts Payable Officer in the Bursar's Office and be authorized by the Bursar.

7. COMPETITIVE QUOTATIONS

The Bursar's Office, and/or the designate, is responsible for obtaining bids on all goods and/or services covered under this policy. Unless a specific exception has been preapproved by the Bursar, quotations should not be solicited from any company that is owned, controlled, or actively influenced by any University employee or immediate relative of an employee. Purchase transactions must comply with the requirements of the Nova Scotia procurement legislation and the Canadian Free Trade Agreement (CFTA). The anticipated value of goods or services will determine the procurement process. Please refer to the threshold grid table below for the appropriate method. Amounts shown are pre-tax.

Threshold Responsibility	Under \$12,700 (Department Head) ¹	\$12,700 to \$63,299 (Department Head) ²	\$63,300 to \$133,799 (Department Head) ²	\$133,800 ³ to \$334,399 (Procurement Office)	\$334,400 ³⁺ (Procurement Office)
GOODS	One Written Quote or Standing Offer	Two Competitive Quotes or Standing Offer	Three Competitive Quotes or Standing Offer	Public Tender (per CFTA)	Public Tender (per CFTA)
SERVICES	One Written Quote or Standing Offer	Two Competitive Quotes or Standing Offer	Three Competitive Quotes or Standing Offer	Public Tender (per CFTA)	Public Tender (per CFTA)
CONSTRUCTION	One Written Quote or Standing Offer	Two Competitive Quotes or Standing Offer	Three Competitive Quotes or Standing Offer	Procurement Office Administered Tender by Invitation (3 bids) or Standing Offer	Public Tender (per CFTA)

¹Department Head may designate other individual that is responsible.

²Bursar approves all expenditures \$12,700 and higher.

³These are the current (January 1, 2024 – December 31, 2025) covered procurement threshold values of the [Canadian Free Trade Agreement](#). These thresholds will be adjusted to reflect changes in the Agreement. Subsequent adjustments will take effect on January 1 every second year.

The thresholds indicated for the preceding three columns will also receive inflationary adjustments in accordance with the CFTA.

When requesting pricing, departments/programs are reminded to address the following issues as they apply to the order and include the information on the PO:

- Lead time for delivery
- Method of shipping
- FOB point (who pays the shipping)
- Insurance coverage while in transit
- Warranty (on site or off)
- Installation

a. Value of Purchase and Approvals

When assessing the threshold level to use in the chart for any purchases involving recurring payments over a contract period, leases or rental agreements, the department/program making the purchase should include the total of all payments over the life of a contract. For example, if a three-year contract for a service is \$500/month for 36 months (pre-tax), the threshold to use (i.e.,

the value of the transaction) would be \$18,000. Any purchase, rental or leasing contracts require the pre-approval and signature of the Bursar. All extras to any ongoing contract shall be pre-approved by the Bursar. Splitting purchases over multiple transactions is not permitted to circumvent purchasing procedures or approvals. The University accepts no responsibility for the payment of invoices resulting from unauthorized purchase commitments.

b. Written Quotations

In situations where the value of the purchase is estimated to be less than \$11,500, a written quotation from the supplier is required. Quotations should include the price of the good or service, all taxes, freight charges, insurance and customs costs. A copy of the written quotation should be forwarded to the Accounts Payable Officer. If a department/program has contacted more than one source, the information should be sent to the Accounts Payable Officer in advance of generating a PO.

c. Standing Offers/University Group Purchasing

The University has access to consolidated agreements and standing offers put in place through a competitive process initiated by organizations such as ISI, CAUBO and the Province of Nova Scotia. These agreements are set up by a consortium of universities to consolidate their buying power and the negotiated standing offers generally reflect the lowest total end-use cost for members considering quality, service and price. For a current copy of the University's standing offer agreements please contact the Bursar's Office. All departments/programs should make every effort to utilize these standing offers and preferred suppliers to obtain the best value.

d. Competitive Quotations

Where the value of the transaction is estimated to be between \$11,500 and \$57,299, the purchase must be made on a competitive basis with an informal solicitation to at least two (2) known suppliers of goods/services to confirm pricing, specifications, and terms (see ethical practices section of this document). Where the value of the transaction is estimated to be between \$57,300 and \$121,199, the number of quotes required is three (3). When obtaining quotations, discuss delivery options with the supplier as they may have an impact on the purchase price. Estimated costs must include the price of the goods/services, all taxes, freight and shipping charges, insurance, customs, and other related costs. All documentation must be forwarded to the Bursar's Office in advance of generating a PO. The Bursar's Office can provide guidance on the process.

e. Tender By Invitation

Where the value of a construction transaction exceeds \$121,200, a tender must be issued. Tender by invitation enables Facilities Management to limit the number of bids to known suppliers who are invited to participate. Facilities Management should aim for at least three quotes. If less than three quotes are obtained, the Procurement Department should be solicited to provide an independent opinion on the process via email. Facilities Management should always call the suppliers in advance to inquire about their willingness to quote. If they are unable to quote, they are asked to provide a letter for our files indicating why they are unable to quote.

f. Public Tenders

The *Public Procurement Act* mandates that all public sector entities post notice of any tender over Canadian Free Trade Agreement thresholds (goods and services greater than \$121,200, and construction greater than \$302,900) to the provincial tenders website. Public sector entities may choose to tender for goods, services, and construction for amounts that are lower than the thresholds set out in the applicable trade agreements. Procurement requiring public tenders will be managed through the Bursar's Office in consultation with the acquiring department/program.

A public tender is a formal solicitation document inviting binding proposals for the delivery of goods, services, and construction. In a tender, the requirements are clearly defined with price, work schedule and delivery representing some of the evaluation criteria. Public tenders for goods and services should be coordinated through ISI and should be advertised on both the ISI and Government of Nova Scotia web portals. Public tenders for construction should be coordinated by the Director of Facilities Management through Dalhousie University's procurement department. Suppliers' responses must be received before the specified date and time. The terms and conditions of every public tender notice must be consistent with the [Atlantic Provinces Standard Terms and Conditions](#) for the procurement of goods and services and the [Construction Contract Guidelines](#) for the procurement of construction services.

When evaluating a bid, the University shall obtain best value and is not limited solely to purchase price and life-cycle cost considerations, but may also consider environmental and social factors, delivery, servicing and capacity of the bidder to meet criteria as stated in the bid received.

All suppliers that submit a bid will be informed of the award results. The *Public Procurement Act* requires the name of the successful bidder and the contract amount to be posted on the provincial web portal. At the request of a supplier who submitted a rejected bid, the University shall conduct for that supplier a debriefing session to provide feedback on the evaluation of the public tender. The debriefing shall provide reasons for disqualification and how to improve future submissions without disclosing any information regarding other bidders or their submissions.

g. Capital Building and Renovation Projects

It is the responsibility of the Campus Planning Committee of the Board of Governors to review proposals for large-scale capital building and renovation projects (>\$100,000) and to make recommendations on the implications to the Board of Governors and the Finance, Audit and Risk Committee. The Board approves the budget and funding for all capital building and renovation projects as well as the annual operating budget. For all capital building and renovation projects, the reporting to the Campus Planning Committee should include the following:

- A full outline of the scope at the outset of the project along with the final design and detailed budget. The budget should contain a sufficient and realistic contingency.
- Any significant changes to the scope and the associated budget implications.
- Any environmental, health and safety issues associated with the project should be highlighted.

h. Contingency Requirement and Approval

All purchases large enough to require a public tender should include a 10-15% contingency. If at any time more than 50% of a contingency is expended, it must be reported in writing to the Bursar.

Spending of any contingency amount in a budget for a capital project shall require the approval of the Bursar.

i. Alternative Procurement Practices

Subject to the authority of the Bursar, there may be unforeseen situations of urgency where a good, service or construction requirement cannot be obtained by means of open procurement procedures. In this case, the Bursar or the Controller will review the proposed purchase and document the decision as to why a public procurement process cannot take place. For emergency situations related to campus facilities the Director of Facilities Management has the authority to proceed with the purchase of goods and or services required for the University as needed without going through an open procurement process. The justification for using the alternate procurement process should always be documented. Alternative Procurement Practices may be used in accordance with [Nova Scotia Procurement Protocols](#).

j. Confidentiality

All employees should endeavour to protect the confidentiality of pricing and other competitive information of the suppliers (see ethical practices section of this document). Any requests to reveal information, including those of a public tender, must be referred to the Bursar.

k. Audit

All procurement activities are subject to regular audit procedures and possible Freedom of Information and Protection of Privacy (FOIPOP) requests. All official documentation will be maintained by the Bursar's Office for any public tenders. Competitive quotation documentation should be submitted to the Bursar's Office for record keeping once the process is complete.

8. ETHICAL PRACTICES

The purchase of goods and services using accounts managed by the University, including research grants and contracts, will be made using fair, transparent and equitable procurement practices. It is the responsibility of all employees to maintain the reputation of the University, to keep good relations between the University and its suppliers and to keep in mind that personal contacts can form much of the basis of the supplier's opinion of the University. Any persons who make, influence or approve purchasing transactions should therefore operate under the following guidelines:

a. General Guidelines

- Equal opportunity is afforded to all suppliers through clear specifications and scope and open competition. Business will be awarded without favoritism. The scope of larger scale purchases shall not be divided into smaller scale purchases as to favor a particular supplier or to preclude the purchase from being subject to the public tendering process.
- All terms, prices and conditions of a quotation, order or agreement must remain confidential; employees must not engage in price disclosure for the purpose of increasing competition.

- Quotations should not be requested from companies who do not receive fair consideration.
- Advantage should not be taken when it is clear an error has been made by a supplier.
- Obligations should not be made beyond those which form part of the transaction.

For more information refer to the following University policies:

- [Research Equipment Policy](#)
- [Research Ethics Policy](#)
- [Policy on Conflict of Interest](#)

b. Gifts and Gratuities

Employees should not accept gifts, entertainment or any form of special consideration (valued in excess of \$50 from one source during a fiscal year) from individuals or entities that can result in a conflict of interest (where the party providing the gift/entertainment/special consideration does so under circumstances where it might be inferred that such action was intended to influence or possibly would influence the employee in the performance of their duties). The recipient might be deemed by others to have been influenced in making a business decision as a consequence of receiving such gifts or gratuities. University employees may not accept cash, discounts, kickbacks, preferential treatment, gift certificates, excessive entertainment and gifts or loans on preferential terms. Any employee who is offered or receives such a gift or gratuity should refuse it and return it to the giver in a tactful way advising the giver of the University's position prohibiting its acceptance. The Code of Ethics of the Purchasing Management Association of Canada and its Institutes shall be the guide for all employees regarding the acceptance of gifts and gratuities. Appropriate disciplinary action may have to be taken against an employee who disregards the intent of this policy. For more information refer to the [University Code of Conduct \(yellow book\)](#).

c. Conflicts of Interest

It is the policy of the University to not purchase any material, equipment or service from a university employee, an employee-owned business venture or from those with whom the employee has personal interest. Any employees who make, influence or approve purchasing transactions should avoid conflict of interest situations or the appearance of conflicts of interest since they can be potentially detrimental to the best interest of the University. Any employee influencing purchasing decisions who feels a conflict of interest may exist, must inform the Bursar of the circumstances involved so that a decision can be made as to whether a conflict of interest is present and, if so, what course of action should be followed. Some examples of potential conflicts of interest include:

- Entering into or involvement in a purchasing or tendering process, contractual arrangement or transaction on behalf of the University with a company, individual or firm in which the employee or a member of their family or an individual with whom there exists or has existed within a previous five-year period, a personal interest.
- Advocating or lobbying for goods or services of a firm where one has a personal interest.

- Influencing the purchase of equipment, goods or services for the University with a company, individual or firm in which the employee, a family/personal associate or a person with whom there exists or has existed within a previous five-year period, a personal interest.
- Seeking a discount on goods/services for personal use on the basis of having been granted past University business to the supplier involved or of being able to secure future University business for the supplier involved.
- Taking undue personal advantage of material or property that belongs to the University. Personal advantage refers to any interests that involve potential gain for an employee or for any other individual or organization they may wish to benefit. This includes the personal, financial, intimate or other interest of the employee and/or their family/personal associates.

d. Reciprocity

It is recognized that the University must actively solicit donated funds throughout the community and this is an important source of revenue for the University; however, reciprocity will not be a condition of purchase for the University. Reciprocal arrangements can only work to the detriment of the University and weaken the University's leverage in negotiating with a supplier to obtain the lowest total cost.

e. Legal Jurisdiction

All contractual documents concerning the purchase of goods and services must conform to legal requirements as to point of delivery, price and description of material and terms of acceptance. Any questions concerning the legality of a pending purchase should be referred to the Bursar at the earliest opportunity.

f. Confidentiality and Accuracy of Information

The majority of transactions related to purchasing are of a confidential nature and should be treated as such especially regarding the University's suppliers. It is considered unethical as well as damaging to the University's reputation to allow information from one supplier's quotation to be shared directly or indirectly with another supplier.

Information given in the course of any purchasing activity must be true and fair and not intended to mislead or misrepresent.

All information held (or acquired indirectly) by a university employee in the course of their involvement in purchasing activities is to be treated as confidential information and cannot be disclosed to any other supplier or to any other person including University employees who are not authorized to have access to that information.