



Policy Title	Purchasing Policy
Issued By	Finance, Audit and Investment Committee; and Institutional Planning Committee
Contact	Vice-Principal, Finance & Administration
Approved By	Board of Trustees
Effective Date	December 5, 2018
Last Review	November 22, 2011
Next Review	December 2023

**PURPOSE**

To set principles associated with the purchase of goods and services that are consistent throughout Brescia and meet legal requirements for publicly funded institutions.

**SCOPE**

This policy applies to all purchases and expenditures made by Brescia excluding any employment and employment-related contracts with Brescia employees.

**DEFINITIONS**

- BPS: Ontario Broader Public Sector, which includes universities and to which Brescia is considered to belong.
- BPSAA: Broader Public Sector Accountability Act, which came into law in Ontario as of April 1, 2011.
- Consultant: A person or entity that under an agreement, other than an employment agreement, provides expert, tactical or strategic advice and related services for consideration and decision-making. Please see examples presented below.
- Consulting services: The provision of expertise or strategic advice that is presented for consideration and decision-making.

Example – Professional Services: An architect engaged to develop a long-term strategy for the physical facilities would be consulting services. An architect engaged to design a specific building would be non-consulting services.

Example – Communications: Provision of a communications strategy and advice in conveying information through various channels and media would be consulting services. Brochure printing and mailing would be non-consulting services.

Contract value: The contract value of the purchase of a good shall be its cost including applicable effective sales taxes, freight/shipping charges, foreign currency translations and any required installation costs.

The contract value of the purchase of a service shall be determined using the annual cost for the service multiplied by the number of years of service requested. Example: the purchase of a 4–year service agreement with annual cost of \$25,000 has a contract value of \$100,000.

Departmental Budget Head:

Members of Brescia senior management with designated responsibility for a departmental budget, as follows:

Principal	Director, Library Services
Vice–Principal and Academic Dean	Director, Communications & External Relations
Vice–Principal, Students	Director, Human Resources
Vice–Principal, Finance & Administration	Director, Campus Ministry
Executive Director, Advancement & Alumnae Relations	Chair, School of Food and Nutrition
Director, Facilities Management	Manager, Food Services
Director, Institutional Planning & Budgeting	Manager, Conference Services

Goods and services: Any goods, construction and services, including but not limited to information technology (IT) and consulting services.

Hospitality: The provision of food, beverage, accommodation, transportation and other amenities paid out of public funds to people who are not engaged to work for Brescia or other BPS organizations, or other Ontario government entities covered by the Ontario Public Sector Travel, Meal and Hospitality Expenses directive. For the purposes of this policy, hospitality includes incidental expenses, and encompasses expenses for meals, snacks, and beverages, gratuities, laundry or dry cleaning, valet services, dependant care, home management, and personal telephone calls.

Major: A major purchase is considered to be any purchase with a contract value of \$100,000 or more.

MERX: MERX is an electronic tendering service broadly recognized to be a complete source of public tenders, private tenders, U.S. tenders and private sector construction news available in Canada.

RFP: Request for Proposals.

RFQ: Request for Quotes.

RFSQ: Request for Supplier Qualification.

- Evaluation Committee: Will involve the applicable Departmental Budget Head at a minimum, plus additional members as appropriate depending on the perspectives required, with support or involvement of the Vice-Principal, Finance & Administration.
- Single source: A non-competitive method of procurement of goods or services from a supplier in situations where there is or may be another supplier or suppliers capable of delivering these goods or services.
- Sole source: Use of a non-competitive process to acquire goods or services where there is only one available supplier for the source of the goods or service.

**SUPPLY CHAIN CODE OF ETHICS:**

As required under the BPSAA, Brescia formally adopts the following Supply Chain Code of Ethics:

**Goal:** To ensure an ethical, professional and accountable BPS supply chain.

**I. 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.

**II. 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.

**III. 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.

This Supply Chain Code of Ethics will be distributed to all employees involved in purchasing and other supply chain-related activities and will be easily accessible in electronic format to all employees, suppliers and other stakeholders of Brescia.

## **POLICY**

### *General*

1. Generally, purchasing at Brescia shall be:
  - a. Transparent and free of real or perceived conflicts of interest;
  - b. Planned and strategic wherever possible;
  - c. Designed to achieve optimum value for money as much as possible; and,
  - d. Guided by early identification of needs, clear definition of requirements, justification of the acquisition, and compatibility with legal and business requirements as well as internal policies and processes.
2. All purchases shall normally follow the Purchasing Matrices attached in ‘Appendix A.1 Goods and Non–Consulting Services’ and ‘Appendix A.2 Consulting Services,’ which identify approval authority, purchasing process, purchasing method, and applicability of an evaluation committee according to contract value.
3. Purchasing processes shall follow the BPSAA and specifically the BPS Procurement Directive issued by the Ontario Ministry of Finance, which can be found at:  
<https://www.doingbusiness.mgs.gov.on.ca/mbs/psb/psb.nsf/English/BPSSC-Sec>
4. Selection criteria will be used with each purchasing decision. All purchases exceeding a contract value of \$50,000 are to involve an evaluation committee using pre–established selection criteria.
5. It is the responsibility of the Departmental Budget Head initiating the purchase to obtain and document verbal or written quotes when necessary. Formal competitive processes or decisions to follow a non–competitive process must involve the Vice–Principal, Finance & Administration for support and documentation.
6. In general, all major purchases should be competitively sourced every 5 years, unless another Brescia policy provides otherwise or there are documented and approved circumstances which make such a procurement schedule impossible.

### *Specific Goods or Services*

Procurement of goods and services must involve the appropriate Departmental Budget Head, whose experience may be drawn on to ensure that Brescia achieves the best value for money:

1. Computer hardware and software purchasing should involve and follow standards set by Information Technology (under Director, Facilities Management).
2. Furniture purchases should involve and follow standards set by Facilities Management.
3. Purchases relating to construction, renovation and repair of new or existing buildings or building components shall involve the Director of Facilities Management, and if applicable, the Institutional Planning Committee.
4. All purchases involving lease arrangements shall be subject to consultation with and approval of the Vice–Principal, Finance & Administration to assess the appropriateness of the lease and the impact on Brescia’s financial statements.

5. Use of public funds for the purchase of consultant lobbyists is not permitted.
6. Contracts with any service supplier shall not under any circumstances contain terms that allow for direct reimbursement for hospitality other than reimbursement for reasonable travel, accommodation and meals that are directly related to the provision of services to Brescia and must follow the provisions of Brescia's Expense and Travel Policy.

#### *Additional Policies Relating to Consulting Services*

All contracts for consulting services must be authorized and finalized in accordance with Appendix A.2 before the commencement of services.

Any consulting services contracts must contain explicit terms regarding payment and the reimbursement of expenses. As for all contracts, direct reimbursement for hospitality is not permitted other than reimbursement for reasonable travel, accommodation and meals that are directly related to the provision of goods or services to Brescia and must follow the provisions of Brescia's Expense and Travel Policy.

#### *Segregation of Duties*

There are five functional procurement roles in any purchasing process: Requisition, Budgeting, Commitment, Receipt and Payment. In any of Brescia's procurement processes, at least three of these five functional procurement roles must be segregated, with responsibilities for these roles lying with different departments where possible, or at least with different individuals.

#### *Exemptions, Exceptions and Non-Application*

In certain rare circumstances the formal process of competitive bidding may not be feasible or possible.

Sole-sourcing is acceptable where only one supplier is able to meet Brescia's requirements. Single-sourcing is also permissible under the circumstances outlined in the BPS Procurement Directive. The BPS Procurement Directive outlines situations where a non-application clause may exist under trade agreements, which may be used as the basis for conducting non-competitive procurement. The Canadian Free Trade Agreement (CFTA) which came into force on July 1, 2017 replaced the Agreement on Internal Trade (AIT) referenced in the BPS Procurement Directive.

The Vice-Principal, Finance & Administration is to be consulted in all situations where non-competitive procurement is selected and the contract value would otherwise suggest competitive procurement within Brescia's Purchasing Matrices.

Non-competitive procurement must be fully documented, and non-application under trade agreements must be formally established, and appropriate approvals obtained from the Principal and the Vice-Principal, Finance & Administration.

#### *Supplier Pre-Qualification*

The purpose of a Request for Supplier Qualification (RFSQ) is to gather information about supplier capabilities and qualifications to:

- a) Pre-qualify suppliers for an immediate product or service need (thereby reducing the number of responses in the second stage of a competitive process); or,

- b) Identify qualified candidates in advance of expected future competitive processes, creating a Vendor of Record arrangement (if established through an open competitive process).

Properly established, managed and utilized Vendor of Record arrangements may be considered an open competitive method of procurement for individual procurements that do not exceed the maximum value or price of the Vendor of Record arrangement. Any supplier pre-qualification is to follow the guidelines established in the BPS Procurement Directive.

Vendor of Record arrangements established by the Ontario Ministry of Government Services (MGS) may be utilized to streamline Brescia's procurement processes provided that corresponding published MGS rules and guidelines are followed.

**REFERENCES:**

Broader Public Sector Accountability Act, April 2011

Broader Public Sector Procurement Directive, April 1, 2011

Brescia University College Policies and Procedures:

- Policy on Signing Authorities
- Expense and Travel Policy
- Credit Card Use Policy

**APPENDICES:**

Appendix A.1: Goods and Non-Consulting Services – Purchasing Matrix

Appendix A.2: Consulting Services – Purchasing Matrix

Appendix B: Competitive Procurement Processes and Procedures

## APPENDIX A.1: GOODS AND NON-CONSULTING SERVICES

### *Purchasing Matrix*

Contract Value <sup>1</sup>	Approval Authority <sup>2</sup>	Purchasing Process	Evaluation Committee
< \$1,000	Departmental Budget Head	No quotes	Not required
Between \$1,000 and \$9,999	Departmental Budget Head	Quotes optional (verbal and written acceptable)	Not required
Between \$10,000 and \$49,999	Principal	Invitational competitive (minimum of 3 suppliers invited to bid)	Not required
Between \$50,000 and \$99,999	Principal	Invitational competitive (minimum of 3 suppliers invited to bid) or Open competitive (RFQ, RFP, RFSQ): all on MERX or approved equivalent	Required
Between \$100,000 and \$499,999	<i>Construction &amp; Renovation-Related</i> <sup>3</sup> : Institutional Planning Committee <i>All other</i> : Finance, Audit and Investment Committee	Open competitive (RFQ, RFP, RFSQ): all on MERX or approved equivalent	Required
\$500,000 and above	Board of Trustees	Open competitive (RFQ, RFP, RFSQ): all on MERX or approved equivalent	Required

- 1 The Contract Value of procurement must not be reduced by dividing a single procurement into multiple procurements in order to circumvent the approval requirements set out above.
- 2 “Approval in principle” granted for budgeting purposes does not constitute the specific approval required by this policy and ratification of such “approval in principle” must be obtained in accordance with the above financial criteria.
- 3 Construction and renovation-related purchasing includes any expenditure for services, materials, equipment or other goods necessary for the construction, renovation or repair of new or existing buildings or building components, and must involve the Institutional Planning Committee if the contract value exceeds the above-noted threshold.

## APPENDIX A.2: CONSULTING SERVICES

### *Purchasing Matrix*

Contract Value <sup>1</sup>	Approval Authority <sup>2</sup>	Purchasing Process	Evaluation Committee
<b>Between \$1 and \$9,999</b>	Departmental Budget Head	Invitational competitive (minimum of 3 proponents)	Not required
<b>Between \$10,000 and \$49,999</b>	Principal	Invitational competitive (minimum of 3 proponents)	Not required
<b>Between \$50,000 and \$99,999</b>	Principal	Invitational competitive (minimum of 3 proponents) or Open competitive (RFP on MERX or approved equivalent)	Required
<b>Between \$100,000 and \$499,999</b>	<i>Construction &amp; Renovation–Related</i> <sup>3</sup> : Institutional Planning Committee <i>All other:</i> Finance, Audit and Investment Committee	Open competitive (RFP on MERX or approved equivalent)	Required
<b>\$500,000 and above</b>	Board of Trustees	Open competitive (RFP on MERX or approved equivalent)	Required

- 1 The Contract Value of procurement must not be reduced by dividing a single procurement into multiple procurements in order to circumvent the approval requirements set out above.
- 2 “Approval in principle” granted for budgeting purposes does not constitute the specific approval required by this policy and ratification of such “approval in principle” must be obtained in accordance with the above financial criteria.
- 3 Construction and renovation–related purchasing includes any expenditure for services, materials, equipment or other goods necessary for the construction, renovation or repair of new or existing buildings or building components, and must involve the Institutional Planning Committee if the contract value exceeds the above–noted threshold.

## **APPENDIX B: COMPETITIVE PROCUREMENT PROCESSES AND PROCEDURES**

Brescia's competitive procurement processes must follow the mandatory elements specified in the BPS Procurement Directive, with respect to all areas including but not limited to:

1. Timelines for Posting Competitive Procurements
2. Bid Receipt
3. Evaluation:
  - a. Criteria
  - b. Process Disclosure
  - c. Team
  - d. Matrix
  - e. Winning Bid
4. Contract:
  - a. Execution
  - b. Termination Clauses
  - c. Agreement Term and Options to Extend
  - d. Award Notification
  - e. Ongoing management
5. Debriefing for Unsuccessful Proponents
6. Procurement Records Retention
7. Conflicts of Interest
8. Bid Dispute Resolution

### **Specific Provisions Regarding Bid Receipt and Opening:**

- Bids (other than electronic bids) received will be immediately time stamped and initialled by the recipient as they are received at Brescia or other authorized agent.
- For electronic bids received via an online, paperless bid portal, the time and date of receipt is as per the third party bid portal.
- For electronic bids received via email, the time of receipt is the date and time it is received in Brescia's e-mail system. The receiver at Brescia shall send a reply e-mail to the bidder confirming receipt. Ideally, electronic bids must be directed to more than one recipient at Brescia to ensure receipt. Bids received late will be returned unopened.
- Opening of sealed bids shall be performed with a minimum of any two (2) of the following Brescia employees present:
  - Departmental Budget Head initiating and/or carrying out the procurement
  - Vice-Principal, Finance & Administration
  - Director, Institutional Planning and Budgeting
  - Director, Facilities Management
  - Principal or Principal's designate