Purchasing Policy and Procedures

The University’s Purchasing Policy, [1] provides the framework, general principles and overall guidance for procurement activities at the University of Guelph. The procurement of goods and services by all departments of the University regardless of the final source of funding shall be compliant with the Purchasing Policy.

Purchasing Authority

All procurement activities shall be authorized and approved by the authority as defined by the University’s General Policy - Delegation of Authority for Commitment of University Funds Upon Budget Allocation [2].

Segregation of Duties

In general, 3 of the 5 purchasing functions below should be completed by different individuals for each procurement.

<table>
<thead>
<tr>
<th>Roles</th>
<th>Task</th>
<th>Who</th>
</tr>
</thead>
<tbody>
<tr>
<td>Requisition</td>
<td>Authorize the budget unit to place an order</td>
<td>Department budget authority, research principle investigator or authorized delegate</td>
</tr>
<tr>
<td>Budget</td>
<td>Ensure that funding is available to cover the cost of the order</td>
<td>Department budget authority, research principle investigator or authorized delegate</td>
</tr>
<tr>
<td>Commitment</td>
<td>Authorize the release of the order to the supplier under agreed terms</td>
<td>Buyer in department or Purchasing Services</td>
</tr>
<tr>
<td>Receipt</td>
<td>Receive the order physically and verify the order is correct and complete</td>
<td>Department individual receiving the goods or confirming services have been provided</td>
</tr>
<tr>
<td>Payment</td>
<td>Approve invoices and authorize release of payment to the supplier</td>
<td>Departmental budget authority, Payment Services staff and University signing officers</td>
</tr>
</tbody>
</table>

Procurement Thresholds, and Sourcing and Contracting Requirements

Based on the total procurement value, all procurement shall be conducted in a manner that meets the sourcing and contracting requirements specified below.

1. Goods and Non-Consulting Services

<table>
<thead>
<tr>
<th>Total Procurement Value (CAD)</th>
<th>Sourcing Requirements (How to Select Supplier)</th>
<th>Contracting Requirements (How to Place Order)</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 - 4,999</td>
<td>1 quote</td>
<td>One of the following:</td>
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<tr>
<td></td>
<td></td>
<td>• Order from pre-negotiated University contracts with GL coding (SMC)</td>
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<tr>
<td></td>
<td></td>
<td>• Order with Procurement Card issued by the University (PCard)</td>
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<tr>
<td></td>
<td></td>
<td>• Purchase order issued by department financial administrators (LVPO)</td>
</tr>
<tr>
<td>5,000 - 9,999</td>
<td>Minimum of 1 written quote</td>
<td>One of the following:</td>
</tr>
</tbody>
</table>
10,000 - 24,999  Minimum of 2 written quotes A
One of the following:
- Order from pre-negotiated University contracts with GL coding (SMC)
- Purchase order issued by Purchasing Services (HVPO)

25,000 - 99,999  Minimum of 3 written quotes (invitational competitive procurement) A
Purchase order issued by Purchasing Services (HVPO)

Over 99,999  Open competitive procurement (RFx) A
Purchase order issued by Purchasing Services (HVPO)

A: Single Source / Sole Source is used only as an exception, it can not be used as a substitute for quotes.

2. Consulting Services

Total Procurement Value (CAD)  Sourcing Requirements  Contracting Requirements
0 - 4,999  Minimum of 3 written quotes (invitational competitive procurement) B  One of the following:
- Order with Procurement Card issued by the University (PCard)
- Purchase order issued by department financial administrators (LVPO)

5,000 - 99,999  Minimum of 3 written quotes (invitational competitive procurement) B  Purchase order issued by Purchasing Services (HVPO)

Over 99,999  Open competitive procurement (RFx) B  Purchase order issued by Purchasing Services (HVPO)

B: Single Source / Sole Source of consulting services below $1,000,000 requires approval by the President; over $1,000,000 requires approval by the Board of Governors.

3. Special Commodities

- Denatured Alcohol
- Radioactive Materials
- Live Animal-Vertebrates
- Biological Hazardous Materials
- Hazardous Materials

Total Procurement Value (CAD)  Sourcing Requirements  Contracting Requirements
0 - 4,999  1 quote  Purchase order issued by Purchasing Services (HVPO)

Over 4,999  same requirements as for Goods and Non-Consulting Services  same requirements as for Goods and Non-Consulting Services