Purchasing Policy and Procedures

The Purchasing Policy [1] provides the framework, general principles and overall guidance for sourcing and purchasing goods and services.

Purchasing Authority

All purchases must be authorized and approved by the appropriate authority as defined by the General Policy - Delegation of Authority for Commitment of University Funds Upon Budget Allocation [2] and the Signing Authority Register.

Segregation of Duties

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

Role	Activity	Responsible Person
Requisition	Authorize the budget unit to place an order	Department budget authority, research principle investigator or authorized delegate
Budget	Ensure that funding is available to cover the cost of the order	Department budget authority, research principle investigator or authorized delegate
Commitment	Authorize the release of the order to the supplier under agreed terms	Buyer in department or Purchaing Services
Receipt	Receive the order physically and verify the order is correct and complete	Department individual receiving the goods or confirming services have been provided
Payment	Approve invoices and authorize release of payment to the supplier	Departmental budget authority, Payment Services staff and University signing officers

Thresholds, Sourcing and Contracting Requirements

Purchases must be compliant with the following sourcing and contracting requirements specified below.

1. Goods and Non-Consulting Services

Total Procurement Value (CAD)	Sourcing Requirements	Placing the Order
$0 to $25,000	1 quote	One of the following: • Order from pre-negotiated University direct billed contracts with GL codes • Order with Procurement Card issued by the University (PCard) • Low value purchase order issued by department financial administrators under $5,000 • High Value purchase order

		issued by Purchasing Services over $5,000
$25,000 to $75,000	Minimum of 2 written quotes	One of the following: • Order from pre-negotiated University direct billed contracts with GL codes • Purchase order issued by Purchasing Services (HVPO)
$75,000 to $121,000	Minimum of 3 written quotes	One of the following: • Order from pre-negotiated University direct billed contracts with GL codes • Purchase order issued by Purchasing Services (HVPO)
Over $121,000	Open competitive procurement run by Purchasing Services	Purchase order issued by Purchasing Services (HVPO)

A: Sole Source / Single Source purchases can be made only when supported by a documented exemption as stated in the applicable trade treaties.

2. Consulting Services

Total Procurement Value (CAD)	**Sourcing Requirements**	**Placing the Order**
$0 to $25,000	Minimum of 2 written quotes (invitational competitive procurement) [B]	Low value purchase order issued by department financial administrators under $5,000 High value purchase order issued by Purchasing Services over $5,000
$25,000 to $121,000	Minimum of 3 written quotes (invitational competitive procurement) [B]	High value purchase order issued by Purchaing Services
Over $121,000	Open competitive procurement run by Purchasing Services [B]	High value purchase order issued by Purchaing Services

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

3. Special Commodities

- Denatured Alcohol
- Radioactive Materials
- Live Animals-Vertebrates
- Biological Hazardous Materials
- Hazardous Materials)

Total Procurement Value (CAD)	Sourcing Requirements (How to Select Supplier)	Contracting Requirements (How to Place Order)
$0 to $25,000	1 quote	Purchase order issued by Purchasing Services (HVPO
Over $25,000	Same requirements as for Goods and Non-Consulting Services	Same requirements as for Goods and Non-Consulting Services

Source URL:https://www.uoguelph.ca/finance/departments-services/procurement-and-payables/getting-started-procurement/purchasing-policy-and

Links
[1] https://www.uoguelph.ca/finance/policies-procedures/procurement-payables-policies/purchasing-policy [2] https://www.uoguelph.ca/finance/node/2195