

**1.0 POLICY**

All goods and services shall be procured by authorized Grant MacEwan University employees through an effectively managed, properly planned and executed process.

**2.0 RATIONALE AND GUIDING PRINCIPLES**

**2.1 Purpose**

2.1.1 The purpose of this policy is to ensure procurement decisions and activities make optimum use of resources for an intended purpose, demonstrate the values and mission of Grant MacEwan University, and are ethical, fair, transparent, and consistent with legislation. This policy provides the foundation for all procurement matters related to MacEwan's affairs.

2.1.2 This policy serves as a foundation for other policies and procedures on administrative and operational matters related to acquisition of goods and/or services.

**2.2 Rationale and Guiding Principles**

2.2.1 Effective procurement facilitates fiscal stewardship, increased value, and promotes financial sustainability and accountability.

2.2.2 All procurement decisions, actions and /or communications will:

2.2.2.1 Ensure fair dealings with suppliers of goods and services.

2.2.2.2 Ensure value for money and use of resources for their intended purposes.

2.2.2.3 Avoid real or perceived conflicts of interest including, but not limited to, solicitation or acceptance of donations with participating vendors during a bidding process.

2.2.2.4 Align procurement practices with the University's sustainability policy and practices.

2.2.2.5 Provide non-discriminatory and unbiased opportunities for consideration by qualified vendors.

**3.0 SCOPE AND DEFINITIONS**

**3.1 Scope**

This policy applies to all employees of Grant MacEwan University who are involved in acquiring goods and/or services from external sources.

3.2 **Definitions**

- 3.2.1 A **purchasing agent** is a representative of MacEwan who has been given explicit authority to act on behalf of MacEwan with respect to procurement.
- 3.2.2 **Competitive bidding process** is the formal means by which potential suppliers are invited to submit their proposal to supply goods and/or services to MacEwan.
- 3.2.3 A **contract** is any obligation by MacEwan for goods and services through various vehicles (e.g.: engagement letter, contract, memorandum of understanding, etc.).
- 3.2.4 **Executive officer** means the president, vice presidents and equivalent positions.
- 3.2.5 **Goods and/or services** includes, but is not limited to equipment, materials, supplies; services such as consultancies, professional, construction and/or other related services; and public utilities.
- 3.2.6 **Officer** means the president, vice presidents and equivalent positions, deans, directors and equivalent positions.
- 3.2.7 **Procurement** is the acquisition of goods and/or services through a defined process and criteria. Procurement involves the full process from tender, to contract execution, to delivery of goods and/or services.
- 3.2.8 **Public interest** refers to the common well-being or general welfare of the community as a whole.
- 3.2.9 A **strategic alliance** is a formal relationship between two or more parties to pursue a set of agreed upon goals or to meet a critical business need while remaining independent organizations. Each partner hopes that the benefits from the alliance will be greater than those from individual efforts.

4.0 **REGULATIONS**

- 4.1 All acquisitions of goods or services must be properly authorized per policy D3700 Delegation of Signing Authorities.
- 4.2 The officer responsible for University procurement and contract services has the authority to act as the purchasing agent of the University for the acquisition of all goods, materials, supplies and services other than those specifically distinguished in Appendix A.

- 4.3 Purchasing thresholds shall be approved by the Executive Committee, as needed.
- 4.4 All acquisitions within specified dollar thresholds shall be made using the following process:

| <u>Purchasing Thresholds per Supplier Contract</u>       |                     |                       |
|--|---------------------|-----------------------|
| Acquisition Process                                      | Goods & Services    | Construction Services |
| Limited Competitive Bid<br>(Minimum of 3 written quotes) | \$50,000 - \$75,000 | \$100,000 - \$200,000 |
| Formal Competitive Bid                                   | >\$75,000           | >\$200,000            |

- 4.5 The department responsible for procurement and contract services shall determine the appropriate acquisition process based on an assessment of cumulative spend. Where a formal competitive bidding process is required, these shall be facilitated by the department responsible for procurement and contract services.
- 4.6 The competitive bidding process may only be waived where:
  - 4.6.1 An unforeseeable and urgent situation exists and the requirements cannot be met through the competitive bid process;
  - 4.6.2 Disclosure through a competitive bid process could compromise confidentiality, cause economic disruption or be contrary to the public interest;
  - 4.6.3 MacEwan could be prevented from gaining maximum benefit through a strategic alliance;
  - 4.6.4 Contracts are financed at least in part by an international cooperation organization with rules different from the University;
  - 4.6.5 A sole supplier market exists whereby for technical reasons, the required deliverables can only be achieved by a particular product or service and /or the product or service can be supplied only by a particular supplier and no alternative or substitute exists;
  - 4.6.6 Procurement is for goods, services or construction work done outside of Canada;
  - 4.6.7 Procurement is financed primarily by donations that are subject to conditions that are inconsistent with the Agreement on Internal Trade Annex.
- 4.7 Where the above conditions for waiving the competitive bidding process exist, the executive officer responsible for University Services, in consultation with the

officer responsible for University procurement and contract services and the individual(s) requesting the waiver, shall formally authorize the waiver. All waivers granted shall be reported to the Audit and Finance Committee as information.

- 4.8 The executive officer responsible for University Services is accountable for executive oversight of this policy.
- 4.9 The officer responsible for University procurement and contract services is responsible for the implementation of this policy and for developing operational policies and procedures to support this policy.
- 4.10 Responsibility for compliance with MacEwan policies and procedures extends to all members of the MacEwan community. Non-compliance may create risk for MacEwan and will be addressed accordingly (see clause 4.5.1 "Respect for the law and University governance" of the University's policy D1200 Code of Conduct - Employees for additional guidance).

**FACT SHEET**

**Relevant Dates**

Approved: 2010.02.18  
Effective: 2010.02.18  
Next Review: 2015.02

**Source**

**Modification History:**

81.10.22 D5010 Procurement & Contracts approved by Board Motion 14-5-81/82. Replaces paragraphs 1, 2 and 3 of Policy 6.5 and approved 27-6-76/77 and related procedures.

82.04.20 Amended clause 1.15.1 EOC for 6 month trial; clause 1.15.3 EOC approved to be effective 82.07.01.

86.11 Changes other than Clause 2.7 approved by EOC.

88.07.05 Changes to 2.7 and addition of 2.1.1 and 2.1.2 and 2.8.6 approved by EOC.

97.12.11 Approved revisions by Board Motion 6-12-11-97/98.

2002.03.21 Approved by Board Motion 03-03-2001/02.

03.02.01 Title and format updated – “Director of Financial Services” changed to “Chief Financial Officer”. Format updated.

03.12.18 Approved revisions by Board Motion 01-12-18-2003/04

04.06.17 Approved revisions and name change by Board Motion 01-6-17-2003/04.

04.09.21 Revisions to align position titles with employment policies and the classification system approved by Executive Committee.

06.08.06 *Revised to incorporate former Policy D5910 Purchasing of LRC Materials.*

2010.02.18 D4000 New Policy approved by Board Motion 01-02-18-2009/10. (This policy replaces D5010 Procurement and Contracts)

**Accountability:**

Office of Accountability: CFO and Associate Vice President, University Services

Office of Administrative Responsibility: Director, Procurement and Contract Services

Approved By: Board of Governors

Contact Area: Procurement and Contract Services

Authority:

**References and Acknowledgements:**

- Agreement on Internal Trade (<http://www.ic.gc.ca/eic/site/ait-aci.nsf/eng/home>)
- Trade, Investment and Labor Mobility Agreement (<http://www.tilma.ca/>)

**Related and Associated Matters:**

Associated Policies & Procedures: D3700 Delegation of Signing Authorities

Related Policies: D3000 Financial Management, D1200 Code of Conduct - Employees, D1205 Conflict of Interest and Commitment

## Appendix A – Exclusions from D4000 Procurement Policy

Current practice excludes the following areas from the jurisdiction of the role of University Procurement and Contract Services officer:

- 1.1 Contracts regarding personnel;
- 1.2 Bookstore, course materials or products for resale in any and all MacEwan operated retail outlets;
- 1.3 Long-term lease or acquisition of land or buildings;
- 1.4 Contracts for provision of educational services to non-MacEwan entities;
- 1.5 Acquisition of all formats of Library collection materials; or
- 1.6 Legal services.