

 Selkirk College Policies and Procedures		Number	9200 Acquisition of Goods and Services	
		Replaces:	B9040.1	
		Effective:	2017-07-01	Next Review:
Executive Responsibility:	Administrative Responsibility:	Recommended by Policy Review Committee:		2017-10-18
Vice President College Services	Director of Finance	Recommended/Approved by Education Council:		N/A
		Approved by President:		2017-11-15

A. PURPOSE

This policy fulfills the following purposes:

1. To ensure College acquisitions are made responsibly, and fairly in respect to the public trust, balancing these needs with what is both efficient and effective and applying risk management and good governance.
2. To provide centralized purchasing services while still facilitating diverse purchasing activities across diverse locations and departments.

B. SCOPE / LIMITS

This policy applies to acquisition of all goods and services for Selkirk College. Exceptions include utility related goods and services (water, electricity, natural gas), international agent commissions, and travel goods and services, which are covered under policy 9400 Travel - Reimbursement for College Business Expenses.

The Purchasing Department is responsible for the organization and administration of centralized purchasing services for all divisions of the College except for the following:

1. Low dollar purchases (LDP) – See Section D.1 and E.2,
2. Library books, periodicals, audio-visual materials, and digital resources – purchased under the jurisdiction of the Head Librarian,
3. Bookstore resale materials – purchased by the Bookstore Coordinator as designate of the Ancillary Services Manager,
4. Legal services – purchased and authorized by the Vice President of College Services, CFO,
5. Travel expenses – authorized by budget officers and administered through the finance department (see Policy 9400 – Travel – Reimbursement for College Business Expenses),
6. Professional development services funded by a PD committee – authorized by PD committee and administered through the finance department,
7. Employment contracts – authorized by budget officers and administered by the human resources department, and
8. Honoraria – authorized by budget officers and administered through the finance department.

Note: These exceptions are still subject to the College purchasing policies. They are, however, exempt from the centralized purchasing system.

C. PRINCIPLES

1. The goal of the Purchasing department is to provide purchasing services for all departments and to obtain supplies, equipment and services for the College at the best value, considering factors including cost and timeliness. The purchasing department ensures acquisitions are ethical and that purchasing activities are conducted with transparency, fairness, and are consistent with College strategic goals.

The purchasing department also ensures purchases are compliant with relevant legislation and trade agreements: <http://www2.gov.bc.ca/gov/content/governments/services-for-government/bc-bid-resources/reference-resources/corporate-requirements-and-guidelines/trade-agreements>

2. The finance department is responsible for the processing and paying of bills and invoices for all divisions of the College. The finance department administers the execution of completed purchase orders through to the payment of vendors. The goal of the finance department is to pay approved purchases in a timely manner and ensure purchases are accountable, recorded, and measured against budget.

D. DEFINITIONS

1. **Low Dollar Purchase (LDP):** Single purchases under \$5,000 or multiple purchases from the same vendor that are in annual aggregate under \$5,000, that are approved by a budget officer. The following are exceptions that will be required to go through the purchasing department no matter the dollar value:
 - a) Services
 - b) Ongoing agreements and/or contract payments
 - c) Multiple purchases from the same vendor that in aggregate are over \$5,000
 - d) Dangerous goods and any other restricted items
 - e) Foreign goods or services
 - f) Office furniture, health and safety materials, or ergonomic aids
 - g) Office supplies
 - h) IT hardware and software, including cell phones and cell phone plans
2. **Buyer:** The authorized person within the purchasing department responsible for coordinating acquisitions. Acts as a signing officer up to the limit of \$50,000. The only person authorized to issue an official purchase order number.
3. **Vendor:** Supplier or service provider operating at arm's length to the College.
4. **Budget Officer:** A position responsible and accountable to a budget. Only a budget officer can authorize charges to their account.
5. **Purchase Order (PO):** A contract issued to authorize the purchase of clearly defined goods and/or services from a defined vendor with a finite quantity and established rate.
6. **Standing Purchase Order (SPO):** A purchase order contract with a negotiated rate and a defined purchase schedule resulting in predictable costs and billing cycles.
7. **Blanket Purchase Order (BPO):** A purchase order contract issued to support high volume, low dollar purchasing situations that do not have predictable rates and/or cycles resulting in unpredictable billing cycles. These are issued to support a contract and/or a preferred pricing account.

8. **Direct Award:** A contract awarded without competitive bidding where one of these conditions are met:
- a) The contract is with another government organization, or
 - b) There is proof that only one vendor is qualified, or available, or
 - c) An unforeseen emergency exists, or
 - d) A shared service pricing agreement is available, or
 - e) Construction and capital project work under \$25,000, at the discretion of the Director of Facilities.
9. **Emergency:** A situation where the safety of staff, students, or public is in question, or College assets may be damaged, or a situation where delays and/or critical timing needs/obligations brought about by factors not within our control.

E. POLICY

- 1. Only the Director of Finance or delegate may pledge the credit of the College. The Buyer and the Finance Department Managers operate as delegates of the Director of Finance.
- 2. The preferred methods of low dollar purchases are purchase card payment, purchase requisition, personal reimbursement with supervisor approval, or petty cash reimbursement for less than \$100 (see petty cash procedures manual). Charges on purchase cards are subject to purchase card obligations and procedures.
- 3. All other purchases aside from the exceptions as outlined in B, must be made through the purchasing department with a purchase requisition, and validated by issuance of an official purchase order number. Vendors should be aware, that purchases made without an official purchase order may not be paid by the College, and individuals making such orders should be aware that they may be held personally responsible for payment.

Threshold	Nature of Bidding/Tendering	Purchase Requisition Approved Additionally By:
\$0 - \$4,999	Not required	Budget officer
\$5,000 - \$24,999	Must have competitive bidding (request for quote)	Deans, Directors or their supervising managers
\$25,000 - \$74,999	Must have competitive bidding, to be determined by buyer	Vice Presidents or their supervising manager
\$75,000 - \$249,999	Formal tendering procedures	VP of College Services or their supervising manager
\$250,000 and higher	Formal tendering procedures	The VP of College Services and the President

- 4. If the estimated cost of services is below the \$5,000 threshold, a competitive bidding process may be requested from the purchasing department if the cost may exceed the limit or more information is required.
- 5. Any budget officer may delegate the authority to approve a purchase requisition with the approval of the Director of Finance or Vice President of College Services, CFO.
- 6. Direct awards must be documented, and have budget officer and buyer sign-off using the appropriate form. Direct awards cannot be used to avoid competition or discriminate against vendors in any way.

7. No employee may use the College's name, letterhead, account or purchasing card to obtain personal services or to acquire discounts, sales or tax exemptions or purchasing points to be used for personal reasons.
8. An employee shall not accept a personal gift, prize or benefit that arises out of a purchase that relates to their employment. See also Policy 6000 - Employee Code of Conduct and Conflict of Interest.
9. The College does not enter into purchasing contracts with students, employees and/or members of the board of governors. To avoid a potential or perceived conflict of interest, employees should report any financial or other interest with a vendor either directly or by association, to the Director of Finance and/or the Vice President of College Services, CFO who will determine whether the interest is sufficient to disqualify the vendor. Home stay payments are exempt from this clause.
10. Selkirk branded items may not be purchased unless branded artwork is provided or approved by the marketing department (artwork is provided to the requester who provides it to the vendor).

F. OTHER RELEVANT POLICIES AND PROCEDURES

1. 9400 TRAVEL – REIMBURSEMENT FOR COLLEGE BUSINESS EXPENSES

<http://policies.selkirk.ca/media/policieselkirkca/college/Policy-9400-Travel-Reimbursement-of-College-Business-Expenses-2016.01.17.pdf>

2. 6000 – EMPLOYEE CODE OF CONDUCT AND CONFLICT OF INTEREST

<http://policies.selkirk.ca/media/policieselkirkca/college/Policy-6000-Standards-of-Employee-Conduct-and-Conflict-of-Interest-2015.pdf>

3. 9000 SIGNING AUTHORITY (in draft format as at October 18, 2017)

4. PETTY CASH PROCEDURES MANUAL

5. PURCHASING PROCEDURES

6. PURCHASE CARD PROCEDURES

7. OFFICE SUPPLIES PURCHASING PROCEDURES