

Acquisition of Goods and Services Policy

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, telephone, broadband), international agent commissions, homestay fees, 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 College 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 or the Executive Director of Finance & Risk or Executive Director of Human Resources as designates of 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 and related payroll deductions and employment dues – authorized by Budget Officers and administered by the human resources and payroll departments; 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: <https://www2.gov.bc.ca/gov/content/bc-procurement-resources/policy-and-strategies/trade-agreements?keyword=trade&keyword=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 \$1,000 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 \$10,000
 - d) Dangerous goods and any other restricted items
 - e) Foreign goods and 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. **Procurement & Contracts Manager or Buyer:** The authorized people within the purchasing department responsible for coordinating acquisitions. Act as signing officers up to the limit of \$50,000. The only people 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 amount.
8. **Direct Award:** A contract awarded without competitive bidding where one of these conditions are met:
 - a) The contract is with another government organization;
 - b) There is proof that only one vendor is qualified, or available;
 - c) An unforeseen emergency exists;
 - d) A shared service pricing agreement is available; or,
 - e) Construction and capital project work under \$50,000, at the discretion of the Director of Facilities & Business Services and/or Manager, Facilities Capital Projects.
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 the College's control.

E. POLICY

1. Only the Executive Director, Finance & Risk or delegate may pledge the credit of the College. The Procurement & Contracts Manager, Buyer, and the Finance Department Managers operate as delegates to the Executive Director, Finance & Risk.
2. The preferred method of low dollar purchases, not listed as an exception in D.1 and are below \$1,000, are purchase card payment, personal reimbursement with supervisor approval, or petty cash reimbursement for less than \$100. Charges on purchase cards are subject to purchase card obligations and procedures.
3. All other purchases aside from the exceptions 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.

Policies and Procedures

Threshold	Nature of Bidding / Tendering	Purchase Requisition Approved Additionally By
\$0 - \$9,999	Not required	Budget Officer
\$10,000 – \$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 Procurement & Contracts Manager or Buyer	Vice Presidents or the President
\$75,000 - \$249,999	Formal tendering procedures	Vice President of College Services, CFO or the President
\$250,000 and higher	Formal tendering procedures	VP of College Services, CFO and the President

4. If the estimated cost of services is below the \$10,000 threshold for competitive bidding, 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 Vice President of College Services, CFO or the Executive Director, Finance & Risk.
6. Direct awards must be documented and have Budget Officer and Procurement & Contracts Manager or 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 director or by association, to the Vice President of College Services, CFO or Executive Director, Finance & Risk who will determine whether the interest is sufficient to disqualify the vendor. Home stay payments are exempt from this clause.

10. Selkirk College 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).
11. IT-related items including hardware should be requested through the IT department.
12. Any goods or services covered by a contract, terms and conditions, or by a link to terms and conditions, may not be purchased until the contract and/or terms and conditions have been approved by the Vice President of College Services, CFO or Executive Director, Finance & Risk and a Privacy Impact Assessment has been completed and approved by the Privacy Officer, if applicable.

F. RELEVANT POLICIES AND PROCEDURES

1. 9400 Travel – Reimbursement for College Business Expenses
2. 6000 Employee Code of Conduct and Conflict of Interest
3. 9000 Signing Authority
4. Purchasing Procedures
5. Purchase Card Procedures

Responsibility, Recommendation and Approval Dates

Executive Responsibility: Vice President, College Services, CFO

Administrative Responsibility: Executive Director, Finance & Risk

Recommended by Policy Review Committee or Administrative Policy Review Committee: 2022-11-01

Recommended/Approved by Education Council: N/A

Approved by President: 2023-01-11


Signature

January 11, 2023

Date

Linkage to Board Policy: EL20, EL 30, EL 40, EL90, BPR 20