

## Procurement Policy

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### 1.0 PURPOSE

The purpose of the Purchasing policy is to;

- Promote transparency and accountability in the use of public funds by establishing guidelines for the acquisition of products and services whether by purchase, rental or lease.
- Define the limits of authority
- Provide guidelines that will maximise value-for-money

### 2.0 POLICY

Queen's University must maintain high legal, ethical, managerial, and professional standards in the management of the resources entrusted to it as a publicly funded institution. We must ensure that products and services are acquired in a manner that ensures the University:

- Obtains value for money by incurring the lowest cost in the fulfilment of specified needs with appropriate levels of quality and service;
- Uses fair and open process when calling for, receiving and evaluating quotations and tenders from qualified, efficient suppliers;
- Meets its statutory, legal and ethical obligations in the acquisition of products and services by purchase, rental or lease; and
- Employs trained staff skilled in purchasing techniques including negotiating contractual terms and conditions, cost reduction techniques, and cooperative buying processes.

The University has adopted the [Ontario Broader Public Sector \(BPS\) Procurement Directive](#) and the BPS [Procurement Code of Ethics](#) as required by the Ontario Ministry of Finance with effect 1<sup>st</sup> April 2011.

All acquisition of goods and services exceeding \$5,000 must be submitted on a PeopleSoft Purchase Requisition and if the acquisition exceeds \$10,000 the requestor should have requested a minimum of three quotes or, if this is not possible, a sole source form should be completed and attached (see TABLE 1 below for requirements). For instructions on requisition entry refer to;

[http://www.queensu.ca/procurement/peoplesoft/Requisition\\_Entry\\_Quick\\_Guide.pdf](http://www.queensu.ca/procurement/peoplesoft/Requisition_Entry_Quick_Guide.pdf)

All requirements for Consultancy Services, irrespective of value, must be submitted on a PeopleSoft Purchase Requisition and must have three quotes or a sole source form attached.

The University Procurement system may not be used for personal purchases.

### 3.0 SCOPE

This policy applies to the acquisition of products and services, by purchase, rental or lease, except as noted below under exceptions, regardless of the ultimate source of funding, unless specifically indicated otherwise by the funding source. Where funding regulations are more restrictive than University regulations, the funding regulations will take precedence.

#### 3.1 Preferred Suppliers

The term preferred suppliers is used to describe those suppliers with which we have established contracts following a rigorous tendering process that is compliant with the Broader Public Sector Accountability Act. Proposals representing the best quality and range of products, level of customer service and delivery and potential cost savings were selected to become Preferred Suppliers for the Queen's community.

These contracts come from one of three sources;

- a) Queen's University
- b) Ministry of Government Services
- c) Ontario Education Collaborative Marketplace (OECM)

Preferred suppliers must be used whenever possible and staff and faculty should refer to these first when sourcing products or services. It is recognised that the preferred suppliers may not always meet the needs of staff or faculty in particular and alternative suppliers may be used if justified. Contact Strategic Procurement Services prior to buying in-scope goods or services from a non-preferred supplier.

A full list of preferred suppliers can be found at;

<http://www.queensu.ca/procurement/howtobuy/preferred.html>

#### 3.2 Exceptions

Current exclusions from the policy are:

- Insurance
- Investment services
- Library Information Resources
- Bookstore retail items
- Radioactive Isotopes

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For the specifics of ordering radioactive isotopes, please see [Environmental Health & Safety Radiation Safety Manual](#) Section 10.

Tendering and purchase of Utilities and construction is delegated to Physical Plant Services with the support of Strategic Procurement Services.

Tendering and purchase of IT Hardware and Software is delegated to Campus Computer Store with the support of Strategic Procurement Services.

### 4.0 AUTHORIZATION

All purchase requisitions must be approved (to facilitate electronic process) in accordance with [Queen's University Contract Signing Authority Policy](#).

### 5.0 SEGREGATION OF DUTIES

Effective control in an organization includes both the delegation of authority and segregation of duties across functions and individuals. Segregation of duties prevents any one person from controlling the entire purchasing process by segregating approvals for the key stages of the supply chain process. There are five procurement roles that require segregated approval as illustrated below:

**Queen's Segregation Framework:** Procurement roles requiring segregation of duties

Roles	Explanation	Who
<b>Purchase Requisition</b>	Authorize Strategic Procurement Services to place an order	Purchaser requesting the product or service and approved as per Contract Signing Authority Policy
<b>Budget</b>	Authorize that funding is available to cover the cost of the order	Authorized budget manager
<b>Purchase Order</b>	Authorize release of the order to the supplier under agreed-upon contract terms	Strategic Procurement Services as the Supply Chain Department
<b>Receipt</b>	Authorize that the order was physically received, correct and complete	Individual receiving the products
<b>Payment</b>	Authorize release of payment to the supplier	Accounts Payable role within Financial Services

## 6.0 COMPETITIVE PROCUREMENT

### 6.1 Goods, Construction and Non-Consulting

Purchase orders must be issued **for goods, construction and non-consulting services** exceeding \$10,000 per commitment as set out in TABLE 1 below. The table also outlines the process and minimum number of quotes requested based on the value of the commitment.

**TABLE 1**

Value per commitment	Minimum number of competitive quotes required	Process
\$5000 or less		Multiple options available: <ul style="list-style-type: none"> <li>• Procurement card</li> <li>• Cheque Requisition</li> <li>• PeopleSoft requisition</li> </ul>
\$5000 to \$9,999	Single written quotation required	<ul style="list-style-type: none"> <li>• Quote can be obtained by department or Strategic Procurement Services.</li> <li>• Department shall complete the purchase requisition before making the purchase.</li> <li>• Strategic Procurement Services to approve and issue purchase order.</li> </ul>
\$10,000 to \$99,999	Solicit minimum of three written quotes, where possible In some circumstances a formal public process may be warranted to increase value for money.	<ul style="list-style-type: none"> <li>• Quotes can be obtained by department or Strategic Procurement Services.</li> <li>• Department <b>must</b> complete the purchase requisition.</li> <li>• Strategic Procurement Services to approve and issue purchase order.</li> </ul>
\$50,000 to \$99,999	Issuance of a Request for Proposal (RFP) <b>is optional and will depend on the goods or service being procured.</b>	<ul style="list-style-type: none"> <li>• Department shall contact Strategic Procurement Services and will provide complete functional specifications.</li> </ul>

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		<ul style="list-style-type: none"><li>• Evaluation team members must sign a Conflict of Interest/Non-Disclosure agreement prior to RFP closing.</li><li>• Strategic Procurement Services shall manage the acquisition process.</li><li>• Department to complete the purchase requisition.</li><li>• Strategic Procurement Services to issue purchase order.</li></ul>
\$100,000 or more	A formal public process is required by issuance of a Request for Proposal (RFP) and posting on BIDDINGO	<ul style="list-style-type: none"><li>• Department shall contact Strategic Procurement Services and will provide complete functional specifications.</li><li>• Department must provide weighted evaluation criteria for inclusion in RFP.</li><li>• Department must provide evaluation methodology prior to RFP being issued.</li><li>• Evaluation team members must sign a Conflict of Interest/Non-Disclosure agreement prior to RFP closing.</li><li>• Strategic Procurement Services shall manage the acquisition process.</li><li>• Department to complete the purchase requisition.</li><li>• Strategic Procurement Services to approve and issue purchase order</li></ul>

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### 6.2 **Consulting Services**

A purchase order must be issued for all **consulting services** regardless of value. See 7.2 for requirements for non-competitive consulting services.

Consulting services less than \$100,000 require a purchase order and a minimum of three written quotes. For consulting services over \$100,000, a formal public RFP process as outlined in TABLE 1 is required.

If services are considered Professional Services, then the requirements as outlined in TABLE 1 apply.

- **“Consultant”** means a person or entity that under an agreement, other than an employment agreement, provides expert or strategic advice and related services for consideration and decision-making.
- **“Consulting Services”** means the provision of expertise or strategic advice that is presented for consideration and decision-making.
- **“Contractor/Professional Service”** is a person or entity retained under a fee-for-service arrangement that is not an employment agreement, to perform specific tasks under a client’s direction for a limited period of time.

Please contact Strategic Procurement Services if assistance is required in determining if the service is consulting or professional service.

In accordance with BPS Directives, Queen’s cannot reimburse consultants or contractor/professional services for hospitality, incidental or food expenses. Allowable expenses must be listed in the contract with the consultant or contractor.

## 7.0 **NON-COMPETITIVE PROCUREMENT – SOLE/SINGLE SOURCING**

Queen’s University will employ an open competitive process when required and whenever possible to increase the chances of achieving the greatest value for money. However, in some specific situations as described in this Sole/Single Source Section, competitive procurement processes may not be warranted.

### 7.1 **Non-Competitive Goods, Construction and Non-Consulting (\$10,000 of greater)**

In the event that Queen’s University employs a non-competitive procurement process for goods, construction, or non Consulting services, formal documentation will need to be completed on the appropriate Sole/Single Source form. The forms and links follow:

P0001	Non-Research	<a href="http://www.queensu.ca/procurement/forms/P0001.pdf">http://www.queensu.ca/procurement/forms/P0001.pdf</a>
P0001R	Research	<a href="http://www.queensu.ca/procurement/forms/P0001R.pdf">http://www.queensu.ca/procurement/forms/P0001R.pdf</a>
P0001H	High Bidder	<a href="http://www.queensu.ca/procurement/forms/P0001H.pdf">http://www.queensu.ca/procurement/forms/P0001H.pdf</a>

### **7.2 Non-Competitive Consulting Services**

In the event that Queen's University employs a non-competitive procurement process for consulting services, pre-approval from the Principal is required. Formal documentation will need to be completed on a Sole/Single Source Form P0001C. The form can be found at link:

<http://www.queensu.ca/procurement/forms/P0001C.pdf>

Completed P0001C forms should be sent to Strategic Procurement Services and they will forward to the Principal's Office for approval. Departments should not send P0001C forms directly to the Principal's Office.