Durham College Policy and Procedure

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1. Introduction

Durham College strives to ensure its purchasing activities are conducted in a manner that is ethical, lawful, transparent, courteous, clearly documented and fiscally responsible. Procurement decisions shall be taken with consideration given to short-term and long-term departmental and College-wide goals.

2. Purpose

This policy and procedure has been developed to provide clear and consistent guidelines to all Durham College employees, including contract personnel and part-time staff, and all operational and ancillary units of the College. The sound management and control of financial expenditures in a fiscally responsible manner is vital to the sustainability and strategic growth of Durham College.

3. Definitions

Refer to Durham College's Standard Definitions.

4. Policy statements

4.1. The goal of all purchasing activities is to provide competitively priced, quality goods and services to College employees and students.

4.2. Purchasing activities shall be consistent with the College's mission, vision, values and strategic priorities.

4.3. Purchasing activities will be conducted in a manner that:

- Fosters documented financial accountability;
- Practices professional competence, courtesy and ethics;
- Supports the fair and impartial awarding of contracts;
- Ensures best overall value; and
- Complies with municipal, provincial and federal regulations and

legislation.

4.4. Supply Chain Code of Ethics

Personal integrity and professionalism

All individuals involved with purchasing or other supply chain-related activities must act, and be seen to act, with integrity and professionalism. Honesty, care and due diligence must be integral to all supply chain activities within the Durham College organization, and in its dealings with suppliers and other stakeholders. Respect must be demonstrated for each other and for the environment. Confidential information must be safeguarded. Participants must not engage in any activity that may create, or appear to create, a conflict of interest, such as accepting gifts or favours, providing preferential treatment or publicly endorsing suppliers or products.

Accountability and transparency

Supply chain activities must be open and accountable. In particular, contracting and purchasing activities must be fair, transparent and conducted with a view to obtaining the best value for the college's money. All participants must ensure that public-sector resources are used in a responsible, efficient and effective manner.

Compliance and continuous improvement

All individuals involved in purchasing or other supply chain-related activities must comply with this code of ethics and the laws of Canada and Ontario. All individuals should continuously work to improve supply chain policies and procedures, to improve their supply chain knowledge and skill levels, and to share leading practices.

4.5. Financial thresholds, using pre-tax costs, shall be established to determine personnel who may authorize various purchasing activities. Thresholds will also be used to determine the necessity for, and degree of, competitive quotation required before acquiring goods and services.

4.6. Where appropriate and feasible, preferred vendors for goods and services will be identified; this shall occur through a public tendering process.

4.7. Where possible, and without compromising overall best value, purchasing preference will be given to goods and services sourced locally within the Province of Ontario and Canada.

4.8. Where possible, and without compromising overall best value, purchasing preference will be given to environmentally friendly goods and services.

4.9. All contracts executed with suppliers will be maintained by the Procurement department in a central file location.

4.10. Procurement decisions will be consistent with Durham College's values and risk management policies.

4.11. Any exception to this policy and procedure shall be documented and must be approved by the Chief Financial Officer, the Durham College Leadership Team or the President, depending upon the financial threshold.

5. Procedure

5.1. Segregation of duties

Responsibilities for the functional procurement roles have been segregated as follows:

5.1.1 Requisition: Academic schools and departments

5.1.2 Budgeting: Planning and reporting

5.1.3 Commitment: Procurement department by following proper approval procedures in the Schedule of Authority

5.1.4 Receipt: Receiving

5.1.5 Payment: Accounts Payable.

5.2. Conflict of interest

5.2.1 Durham College employees, consultants and suppliers must disclose their involvement with a supply chain activity if it constitutes an actual or potential conflict of interest.

5.2.2 Durham College will not accept former Durham College employees as suppliers or as supplier representatives for a period of two years after their employment with Durham College if any of the following principles apply:

- The former Durham College employee may be in a position of negotiating directly with Durham College staff on issues pertaining to Supplier Selection (SS) or Best Value (BV) determination;
- The former Durham College employee may be in a position of substantial influence at the supplier and the former Durham College employee may have a relationship with the Durham College decision-makers responsible for SS or BV determination; and
- The former Durham College employee may have had access to significant information related to the product(s) or service(s) being purchased, which was not fully disclosed to competing suppliers and therefore, provides that supplier with an unfair advantage.

5.2.3 Employees can be suppliers to the College as long as the employee involved does not have information relevant to the purchase that would provide them with an unfair advantage and the employee is also not responsible for the supplier SS, BV determination or in obtaining the competitive quotations.

5.2.4 Judgment is required in order to determine if there is the potential for any supplier to have an unjustified advantage, or the potential for the perception of it, in each situation. Please contact the Procurement manger with full disclosure or clarification on this procedure.

5.2.5 For additional information, see the Durham College Conflict of Interest policy (EMPL-303).

5.3. Gifts/donations from suppliers

5.3.1 No employee should accept gifts, including money, awards, loans, food, liquor, or anything other than items of nominal value from any supplier. As an exception, gifts can be solicited and accepted from suppliers if the proceeds from these gifts directly benefit the students through endowments or local charitable activities. In no circumstances should the acceptance of the gift influence or provide any suppliers advance standing when bidding on business;

5.3.2 An employee may only accept a gift of nominal value (less than $100 or consumable in one sitting) whenever it would be reasonably expected that the invitation is intended to strengthen an existing or explore a new partnership, would provide an opportunity to advance the College's standing in the community, provide an opportunity to access expertise or insight that would assist the College in its mission, or some other reason that would be in the College's best interests;

5.3.3 Any employee offered a gift that may be of more than nominal value must decline the gift, explaining College policy. In situations where gifts cannot reasonably be refused at the time of presentation, the employee should return the gift with thanks and an explanation within five business days of the event, or report the gift to their manager for determination about an appropriate way to distribute in the campus or broader community. For situations where there are doubts about the value/acceptability of a particular gift, the employee should consult their manager and they will decide whether it should be returned with thanks and an explanation within five business days of the event or an appropriate way to distribute the gift in the campus or broader community;

5.3.4 It is never allowable to accept cash, gift certificates or loans; and

5.3.5 If a supplier wishes to make a donation to the College, please inform the Office of Development. Once the Office of Development confirms that the College will accept the item, a Donation Gift in Kind Form needs to be completed and approved by the Office of Development, indicating what the item is and when it will be arriving.

5.4. Business meals and entertainment with suppliers

5.4.1 Suppliers will occasionally offer Durham College employees social amenities. This offer of hospitality is allowable whenever it would reasonably be expected that the invitation is intended to strengthen the partnership, would provide an opportunity to advance the College's standing in some way, provide an opportunity to access expertise or insight that would assist the College in its mission, or some other reason that would be in the College's business interests.

5.4.2 Invitations that would be considered purely a social event where there is no apparent business value to the College should be reviewed by the employee with their Vice-President, the Chief Administrative Officer or the President. Where a decision is made to accept, the employee's department will pay the costs associated with their attendance to ensure there is no real influence, or appearance thereof, being exerted upon College officials. In these cases, gift acceptance would fall within the guidelines listed above for College sponsored events;

5.4.3 Supplier personnel must participate and be in attendance when Durham College employees accept social amenities;

5.4.4 Entertainment should be limited to social events not involving overnight stays;

5.4.5 The total cost of any specific event should not exceed $100 per person (including any meal expenses); and

5.4.6 Spouses or guests should only attend such events if the company paying the bill (whether it is Durham College or the supplier) has specifically invited the guests and offered to pay their expenses. Durham College employees should not solicit invitations for their guests and should offer to pay their guest's expenses if they are invited.

5.5. Gifts, conferences and other offers from book publishers

Durham College faculty are considered to be thought leaders in their areas of expertise. As such, publishers often encourage use of a specific textbook/e-textbook/web and other reading materials for courses and at times, will offer faculty gifts, invitations to conferences or other items that could be viewed as a perk to gain influence. Where there is no obvious professional advantage to accepting a gift or invitation (e.g. faculty are not being invited to be a keynote speaker at the conference or it is not an area of professional development

related to their area of teaching), faculty must decline, explaining College policy. For situations where there are doubts about the value/acceptability of a particular gift/situation, faculty should consult with their dean and/or the Vice-President, Academic. Exceptions to this approach would be incidental gifts if they are considered a common expression of courtesy. These gifts/prizes would typically be valued at less than $100 or consumable in one sitting.

5.6. Methods for purchasing for goods and non-consulting services

5.6.1. External suppliers

a) Competitive procurement threshold for goods, non-consulting services and construction

Total procurement value before tax.	Means of procurement
Up to but not including $5,000	Purchasing card; or approved invoice to be processed through Accounts Payable; or (if required by the vendor) a purchase order with one written quotation
$5,000 up to but not including $20,000	Purchase order – two written quotations required
$20,000 up to but not including $121,200	Purchase order – three written quotations required
$121,200 and more	Open competitive process

b) Competitive procurement threshold for consulting services

Total procurement value before tax.	Means of procurement
$0 up to but not including $121,200	Invitational or open competitive process
$121,200 and more	Open competitive process

c) For invitational competition, in cases where less than the required minimum acceptable responses are received and it is not possible to re-bid, the approval of the Chief Financial Officer is required.

d) A purchasing card authorized by the College may be used to make authorized expenditures of less than $5,000 per transaction, excluding imported items, capital assets such as furniture and IT equipment. Exceptions to the $5,000 transaction limit that are less than $25,000 must be approved by the Executive Director, Financial Operations; otherwise, all other exceptions must be approved by the Chief Financial Officer. Purchases must not be broken into smaller amounts in order to meet the transaction limit.

e) All packing slips and shipping labels from the suppliers must include the following information: the full name of requisitioner, department, room number and method of payment (either credit card or purchase order number).

f) Capital items are defined as furniture, telecommunications and computers, peripheral equipment and acquisitioned software where there is a one-time license fee and where these items have a useful life greater than one year, with a minimum total bundled value before taxes of $5,000. All capital items should be processed via a purchase order.

g) Items exempt from a purchase order process include the following:

- Customs
- Courier and freight charges
- Conference, seminar fees
- Course registration fees
- Debt payments
- Donations
- Elevator licence fees
- Interest payments
- Insurance premiums
- Inter-institutional expenses
- Honorariums
- Investments and related fees
- Leaseholds
- Membership fees
- Payroll and benefits
- Petty cash items
- Real property charges
- Recruitment agency fees

- Refunds
- Registry fees
- Sponsorship fees
- Subscription fees
- Support Allowance fees
- Taxes and charges
- Travel expense
- Utilities
- Vehicle license fees

h) A blanket purchase order can be arranged for goods and/or services that are procured on a regular basis from the same company for one fiscal year.

i) Information Technology Services (ITS) establishes a list of standard hardware models. These standards include desktops, laptops, tablets, workstations, monitors, printers and servers. Purchasers must follow these standards unless modified or waived by ITS for exceptional reasons. Please refer to the ITS Standards list or contact the Procurement department for further information.

j) Payments to individuals, companies, partnerships and sole proprietorships that are likely subject to Canada Pension Plan, Employment Insurance and/or tax deductions (e.g. classroom instruction) shall be made through the Payroll department. Payments to individuals for these services can be processed by a purchase order only when accompanied by the completed 'Application for Contractor Status'. The school or department is responsible for following the guidelines for determining an employee-employer relationship. This relationship must be established prior to any commencement of work. Please refer to the Guidelines to Determine the Employee-Employer Relationship, which can be obtained from Human Resources.

5.6.2. Internal

a) College departmental purchases can be made from the Campus Bookstore and should be paid for using the College approved purchasing card.

b) Approved business lunches at the College restaurant, Bistro '67, must be paid for using the College approved purchasing card and not charged to a department account.

c) Catering from the campus food services provider is arranged through https://durhamcollege-cgc.catertrax.com/# .

d) Printing requests must be sent to the electronic mailbox - printshoprequests@dc-uoit.ca.

5.7. Expenditure authorization

5.7.1 Prior to commencement, any requisition for procurement of goods and non-consulting services must be approved by an appropriate authority in accordance with the Schedule of Authority Procedure;

5.7.2 Financial thresholds for determining expenditure authorization are based on goods or non-consulting services total acquisition costs before taxes; however, include, but are not limited to purchase price, warranty, operating costs, training costs, installation, etc.;

5.7.3 Where there is an increase requested to the initial authorized expenditure and existing purchase order, the revised total expenditure will be used to determine approval authority;

5.7.4 Division of expenditures to circumvent this procedure is prohibited; and

5.7.5 The informal delegation of expenditure approval authority is prohibited.

5.8. Engaging an external supplier/contractor

5.8.1 Where results of informal supplier or research are insufficient, formal processes such as a Request for Information (RFI) or Request for Expression of Interest (RFEI) may be used if warranted, taking into consideration the time and effort required to conduct them. A response to RFI or RFEI must not be used to pre-qualify a potential supplier and must not influence the chances of the participating suppliers from becoming the successful proponent in any subsequent opportunity;

5.8.2 Prior to engaging an external supplier/contractor, the requisitioning department shall verify with the Procurement department the external supplier/contractor's existence in Banner;

5.8.3 The requisitioning department should also verify with the Procurement department if any collaborative or group procurement agreements are in place;

5.8.4 Before any agreement or purchase order is issued with 'new' external suppliers, the Procurement department has the responsibility to ensure suppliers are evaluated and assessed to

verify that they meet certain criteria to be qualified suppliers. These criteria include financial solvency, compliance with applicable international, national and local laws and regulations, and compliance with Durham College technical standards;

5.8.5 The Procurement department might issue a Request for Supplier Qualification (RFSQ) to gather information about supplier capabilities and qualifications in order to pre-qualify suppliers for an immediate product or service need to identify qualified candidates in advance of expected future competitions. Terms and conditions of the RFSQ document must contain language that disclaims any obligation of the College to call on any supplier to provide goods and services as a result of pre-qualification;

a) Allow suppliers to apply at any time for inclusion on the pre-qualify suppliers list.

b) Allow all qualified suppliers to participate in a particular procurement, unless the procuring entity states in the notice of intended procurement any limitation on the number of suppliers that will be permitted to tender and the criteria for selecting the limited number of suppliers.

c) If the College rejects a supplier's request for participation in a procurement or application for inclusion on the pre-qualify suppliers list, ceases to recognize a supplier as qualified, or removes a supplier from a pre-qualify list, the College shall promptly inform the supplier and, on request of the supplier, promptly provide the supplier with a written explanation of the reasons for its decision.

5.8.6 The following are the requirements for new suppliers to Durham College:

a) If the supplier is located outside of Canada, the College must try to validate that the supplier will not use child labour. The term ‘child’ refers to any person employed under the age of 15 (or 14 where the law of the country permits), or under the age for completing compulsory education, or under the minimum age for employment in the country, whichever is greatest.

b) Procurement will continue to exercise business judgment in monitoring the financial solvency of suppliers subsequent to initial selection.

5.9. Purchase order requisitioning

5.9.1 Where a purchase order is required, the requisition must be created and approved before any goods or services are ordered and invoices are received. All invoices received without a valid purchase order will be returned to the supplier by Accounts Payable;

5.9.2 The Requisitioning department shall complete a request for a purchase order containing the following information: employee contact name and phone extension, room number, building location, the product description, authorized signatures, competitive quotation documentation (as required) and a Durham College supplier number;

5.9.3 If the supplier/contractor does not have a valid Banner supplier number, the Requisitioning department must complete the Supplier Setup Form found on ICE/Resources/Forms/Finance. The Procurement department will then check the validity of the supplier through the Canadian Revenue Agency website and internet search before the supplier record is established;

5.9.4 If purchasing a hazardous material, the Requisitioning department must choose the least hazardous/toxic product that will meet its needs satisfactorily;

5.9.5 All purchases of hazardous materials, regardless of value, require a purchase order and shall be purchased and received in accordance with the College's Health and Safety regulations. If the person requisitioning for the product is unsure whether the product is considered to be hazardous, contact the College's health and safety officer;

5.9.6 If there is an agreement in place with the supplier, this should be referenced on the requisition and purchase order;

5.9.7 Purchase orders, regardless of value, will contain standard terms and conditions clauses that have been approved by the Risk Management department;

5.9.8 Invoices from suppliers with a valid Durham College-approved purchase order number must go directly to Accounts Payable. In situations where a service was provided, verification by the Requisitioning department that the work was satisfactorily completed, shall be required;

5.9.9 The Procurement department is responsible for communicating the completed purchase order to the Receiving department prior to the goods being delivered; and

5.9.10 The Procurement department will attempt to ensure that all suppliers' employees for construction-related projects are paid fair wages. Fair wages means such wages as are generally accepted as fair and reasonable in the area in which the work is being performed or pursuant to the prevailing local labour rates.

5.10. Trade Agreements

5.10.1. General

The College shall ensure the provisions of both the CFTA and CETA are considered during procurement activities and throughout the competitive tendering process. Both trade agreements are similar; however, CFTA is triggered first since that treaty has far lower thresholds for publicly tendering.

5.10.2. CFTA

CFTA shall apply for the following procurement thresholds:

CFTA Threshold	Total procurement value before tax.
Goods	$100,000 and more
Services	$100,000 and more
Construction services	$250,000 and more

*Subject to inflation adjustment

5.10.3. CETA

CETA shall apply for the following procurement thresholds:

CETA Threshold	Total procurement value before tax.
Goods	~$366,355 and more
Services	~$366,355 and more
Construction services	~$9,100,000 and more

*Subject to inflation adjustment

5.10.4. Valuation

In estimating the value of a procurement for the purpose of ascertaining whether it is a covered procurement, a procuring entity shall include the estimated maximum total value of the procurement over its entire duration, whether awarded to one or more suppliers, taking into account all forms of remuneration, including premiums, fees, commissions and interest; and if the procurement provides for the possibility of options, the total value of such options.

5.11. Competitive quotation/tendering

5.11.1. Documents pertaining to competitive procurement will be drafted by the Requisitioning department, in consultation with the Procurement department. These documents will be reviewed and approved by the Procurement department and Risk Management department prior to publication;

5.11.2. Calls for open competitive procurements will be made through an electronic tendering system that is readily accessible by all suppliers;

5.11.3. Bidders will be given a reasonable amount of time, depending on the complexity of the acquisition, to prepare their bid submissions. The response time will not be lower than 15 calendar days under any circumstances; and the response time will not be lower than 30 days if the value of the procurement is subject to CETA; and

5.11.4. Bid submission date and closing time must be clearly stated in competitive procurement documents. The College will set the closing date of a competitive procurement process on a normal working day (Monday to Friday, excluding provincial and national holidays.) Submissions that are submitted after the closing time will not be accepted.

5.12. Competitive evaluation

5.12.1. Competitive evaluation is a process that evaluates a supplier’s overall competitiveness based on factors such as price, quality, cost trends, lead-time, flexibility and technical capabilities. The list of relevant criteria and the associated weighting factors will vary by product or service;

5.12.2. Competitive procurement documents will fully disclose the evaluation methodology and process to be used in assessing submissions, including the method of resolving tie score;

5.12.3. Competitive procurement documents will clearly outline mandatory, rated, and other criteria that will be used to evaluate submissions, including weight of each criterion. The evaluation criteria will only be altered by means of addendum to the competitive procurement process;

5.12.4. Competitive procurement documents will state that submissions that do not meet the mandatory criteria will be disqualified. Mandatory criteria (e.g., technical standards) will be kept to a minimum to ensure that no bid is unnecessarily qualified;

5.12.5. Maximum justifiable weighting must be allocated to the price/cost component of the evaluation criteria. Price can be the only criterion when the product definition and requirements are standard and products offered by different suppliers are standard;

5.12.6. Durham College will not discriminate or exercise preferential treatment in awarding an agreement to a supplier as a result of competitive procurement process; and

5.12.7. Durham College may request suppliers to provide alternative strategies or solutions as a part of their submission. In such a case Durham College will establish criteria to evaluate alternative strategies or solutions prior to commencement of the competitive procurement process. Alternative strategies and solutions will not be considered unless they are explicitly requested in the competitive procurement documents.

5.13. Policy requirements for competitive evaluations

The following steps detail the policy requirements for competitive evaluations:

5.13.1. For invitational competitions, determine which suppliers will be part of the competitive evaluation;

a) You must include any incumbent supplier(s) or document the reason why they are not being included.

b) The number of suppliers required for competitive evaluations will be determined by the competitive procurement thresholds.

5.13.2. A cross-functional team (the team) must be established to conduct the evaluation;

a) The team is responsible for reviewing and rating the compliant bids.

b) The team members will be made aware of the restrictions related to utilization and distribution of confidential and

commercially sensitive information collected through the competitive procurement process and refrain from engaging in activities that may create or appear to create conflict of interest.

c) The team members will sign a conflict of interest declaration and a non-disclosure of confidential information agreement.

d) At a minimum, the team must include Procurement and the requestor but could include others.

5.13.3. Determine evaluation criteria and weightings prior to receipt of any supplier responses or evaluation;

a) The minimum percentage of points required to pass the technical evaluation phase should be 85. Suppliers that pass the technical evaluation phase will then be ranked by their proposed fee structure.

b) Team agreement of criteria and weightings must be documented (e.g. meeting minutes, e-mail).

c) Once determined, the criteria and weightings cannot be changed without team approval.

5.13.4. Each evaluation team member will complete an evaluation matrix, rating each of the submissions. Records of evaluation scores will be retained for audit purposes;

a) Evaluators will ensure that everything they say or write about submissions is fair, factual, and fully defensible.

5.13.5. Communication of any proposal or bid request and acceptance of any responses must only be performed by the Procurement department to ensure the integrity of the evaluation;

a) All supplier responses must be due at the same time.

b) Any changes in due dates, requirements or information pertaining to the proposal or bid requests must be communicated to all suppliers at the same time and by the same methodology.

c) The bid proposal should be received in accordance to the bid documentation guidelines.

d) All proposal or bid requests and responses must be documented.

5.13.6. Once the proposal or bid responses have been received from the suppliers, evaluation of the responses should be conducted;

a) A detailed explanation of the team's evaluation of each non-price criteria is not required.

b) Negotiations are recommended as a part of all purchases and should include all criteria used in the evaluation. Negotiations conducted must include the supplier with the best overall value and can include other suppliers that were a part of the proposal or bid process.

5.13.7. A summary of the SS analysis and decision on the winning supplier(s) must be documented (e.g. electronically via meeting minutes with team members on copy or via hard copy);

5.13.8. The submission that meets all mandatory requirements set out in the competitive procurement document and receives the highest overall evaluation score will be declared the winning bid;

5.13.9. For purchases valued at $100,000 or more, Durham College will post the award notification, in the same manner as the procurement documents were posted. The award notification will be posted no later than 72 days after the award of the agreement between the successful supplier and Durham College. The agreement award notification will include the name(s) of the successful supplier;

5.13.10. For purchases valued at $100,000 or more, Durham College will inform all unsuccessful suppliers about their entitlement to a debriefing in the procurement documents;

5.13.11. Procurement will provide timely and meaningful notification to all suppliers on the outcome of their participation in the selection process; and

5.13.12. Durham College will use their best efforts to resolve any dispute or controversy arising during or after the competitive procurement process. If a resolution is not attainable, the issue shall be referred to a mediator agreed upon by both parties. Should the parties fail to agree on the identity of a mediator, or should mediation fail to bring about a resolution to the dispute, such dispute shall then be transferred to a single arbitrator. The arbitrator shall be appointed by agreement between the parties or, in default of agreement, such arbitrator shall be appointed by a Judge of the Ontario Court of Justice (General Division) upon the application of any of the said parties.

5.14. Contracting with suppliers

5.14.1. The agreement between the College and the successful supplier must be formally defined in a signed written agreement before the provision of supplying goods and services;

5.14.2. When an immediate need exists for goods and services, and Durham College and supplier are unable to finalize the agreement as described above, a letter of intent or an interim purchase order may be utilized. The justification of such decision must be documented and approved in accordance with the Schedule of Authority;

5.14.3. The agreement must be finalized using the form of agreement that was released with the procurement documents;

5.14.4. In circumstances where an alternative procurement strategy has been used (i.e., form of agreement was not released with the procurement document), the agreement between Durham College and the successful supplier must be defined formally in signed written agreement before the provision of supplying goods or services commences;

5.14.5. All agreements must include appropriate cancellation or termination clauses and Durham College should seek appropriate legal advice on the development of these clauses. When conducting complex procurements, Durham College will consider, as appropriate, the use of agreement clauses that permit cancellation or termination at critical project life-cycle stages;

5.14.6. The term of the agreement and any options to extend the agreement must be set out in the procurement documents. An approval in line with the Schedule of Authority must be obtained before executing any modifications to the term of agreement. Extending the term of agreement beyond what is set out in the procurement document is considered non-competitive procurements and Durham College must seek appropriate approval authority prior to proceeding;

5.14.7. To ensure that all externally binding contractual agreements are properly reviewed, analyzed and authorized, the Schedule of Authority Procedure must be followed; and

5.14.8. The originator of the agreement should ensure that the Contract Authorization and Risk Assessment form (CARAF) is utilized for all agreements and obtain the appropriate signatures based on the Schedule of Authority. The form can be found on ICE forms section under the Administrative section.

5.15. Contract management

5.15.1. Procurements and the resulting agreement must be managed responsibly and effectively;

5.15.2. Payments will be made in accordance with provisions of the agreement. All invoices must contain detailed information sufficient to warrant payment. Any overpayments must be recovered in a timely manner;

5.15.3. Supplier performance will be managed and documented, and any performance issues will be addressed;

5.15.4. To manage disputes with suppliers throughout the life of the agreement, Durham College will include a dispute resolution process in its agreements;

5.15.5. For services, Durham College will:

a) Establish clear terms of reference for the assignment. The terms should include objectives, background, scope, constraints, staff responsibilities, tangible deliverables, timing, progress reporting, approval requirements, and knowledge transfer requirements;

b) Establish expense claim and reimbursement rules compliant with the Broader Public Services Expenses Directive and ensure all expenses are claimed and reimbursed in accordance with these rules; and

c) Ensure that expenses are claimed and reimbursed only where the agreement explicitly provides for reimbursement of expenses.

5.16. Non-competitive procurement

5.16.1. Durham College will employ a competitive procurement process to achieve optimum value for money. It is recognized, however, that special circumstances may require the College to use non-competitive procurement;

5.16.2. Durham College may utilize non-competitive procurement only in situations outlined in CFTA and CETA. These situations include:

a) If no tenders were submitted or no suppliers requested participation (provided that the requirements of the tender documentation are not substantially modified);

b) If no tenders that conform to the essential requirements of the

tender documentation were submitted (provided that the requirements of the tender documentation are not substantially modified);

c) If no suppliers satisfied the conditions for participation (provided that the requirements of the tender documentation are not substantially modified);

d) If the submitted tenders were collusive (provided that the requirements of the tender documentation are not substantially modified);

e) If the goods or services can be supplied only by a particular supplier and no reasonable alternative or substitute goods or services exist for any of the following reasons:

- the requirement is for a work of art;
- the protection of patents, copyrights, or other exclusive rights;
- due to an absence of competition for technical reasons;
- the supply of goods or services is controlled by a supplier that is a statutory monopoly;
- to ensure compatibility with existing goods or to maintain specialized goods that must be maintained by the manufacturer of those goods or its representative;
- work is to be performed on property by a contractor according to provisions of a warranty or guarantee held in respect of the property or the original work;
- work is to be performed on a leased building or related property, or portions thereof, that may be performed only by the lessor; or
- the procurement is for subscriptions to newspapers, magazines, or other periodicals;

f) For additional deliveries by the original supplier of goods or services that were not included in the initial procurement, if a change of supplier for such additional goods or services: (i) cannot be made for economic or technical reasons such as requirements of interchangeability or interoperability with existing equipment, software, services, or installations procured under the initial procurement; and (ii) would cause significant inconvenience or substantial duplication of costs for the procuring entity;

g) If strictly necessary, and for reasons of urgency brought about

by events unforeseeable by the procuring entity, the goods or services could not be obtained in time using open tendering;

h) For goods purchased on a commodity market;

i) If a procuring entity procures a prototype or a first good or service that is developed in the course of, and for, a particular contract for research, experiment, study, or original development. Original development of a first good or service may include limited production or supply in order to incorporate the results of field testing and to demonstrate that the good or service is suitable for production or supply in quantity to acceptable quality standards, but does not include quantity production or supply to establish commercial viability or to recover research and development costs.

j) For purchases made under exceptionally advantageous conditions that only arise in the very short term in the case of unusual disposals such as those arising from liquidation, receivership, or bankruptcy, but not for routine purchases from regular suppliers;

k) If a contract is awarded to a winner of a design contest provided that: (i) the contest has been organized in a manner that is consistent with the principles of Chapter 5 of CFTA, in particular relating to the publication of a tender notice; and (ii) the participants are judged by an independent jury with a view to a design contract being awarded to a winner;

l) If goods or consulting services regarding matters of a confidential or privileged nature are to be purchased and the disclosure of those matters through an open tendering process could reasonably be expected to compromise government confidentiality, result in the waiver of privilege, cause economic disruption, or otherwise be contrary to the public interest.

5.16.3. Prior to commencement of any non-competitive procurement, ensure that a report is prepared on each contract awarded under the limited tendering procedure in CFTA. The report must contain:

1) the name of your organization;

2) the value of the procurement;

3) the kind of goods and services procured; and

4) a statement indicating the circumstances and conditions under which you claimed the limited tendering exception.

5.16.4. Prior to commencement of any non-competitive procurement for goods, non-consulting services and construction, a non-competitive procurement justification must be added to the web requisition and approved by the Procurement Manager and Chief Financial Officer;

5.16.5. Prior to commencement of any non-competitive procurement for consulting services less than a value of $1 million, a non-competitive procurement justification must be added to the web requisition and approval is required by the Procurement Manager, the Chief Financial Officer and the president. If greater than $1 million, this purchase would also require approval from the Board of Directors;

5.16.6. Prior to commencement of any sole source procurement for goods, non-consulting services and construction, a sole source waiver justification must be added to the web requisition and approved by the Procurement Manager if under $10k and the Procurement Manager and Chief Financial Officer if over $10k; and

5.16.7. Prior to commencement of any sole source procurement for consulting services less than a value of $1 million, a sole source waiver justification must be added to the web requisition and approval is required by the Procurement Manager, the Chief Financial Officer and the president. If greater than $1 million this would also require approval from the Board of Directors.

5.17. Procurement records retention

5.17.1. For reporting and auditing purposes, all procurement documents, as well as any other pertinent information must be retained in a recoverable form for a period of seven years and in accordance with Durham College's practices for handling, storing and maintaining the supplier's confidential and commercially sensitive information; and

5.17.2. Procurement documents may include: acquisition of goods and services including bid and competitive selection processes, specifications, requests for proposals (RFP), requests for tender (RFT) or requests for quotes (RFQ), vendor proposals and bids, bid tabulation sheets and records of all bids received (successful and unsuccessful), department requisition forms, purchase orders, limited tendering, agreements and leases, related documentation and correspondence.

5.18. Supplier import compliance

5.18.1. Procurement is responsible for providing suppliers that import into Canada with the proper shipping procedural instruction. Compliance with lawful importing is a condition for transacting business with Durham College; and

5.18.2. If a supplier is found to be non-compliant, the Procurement department will work with the requisitioner responsible for deliveries to the site to ensure supplier compliance. The corrective action(s) to be taken by the supplier, and the effective date of such action should be documented. A written response from the supplier should be retained.

5.19. Receiving goods

5.19.1. Departments shall not directly receive goods unless prior approval from the Procurement department is obtained;

5.19.2. Products received by the Receiving department require a packing slip with the purchase order number and/or a clear description of the product;

5.19.3. Goods received in Oshawa that are destined for the Whitby campus will have their documentation retained in Oshawa;

5.19.4. All packing slips with the approval of the Receiving department will be forwarded to Accounts Payable. This is required by Accounts Payable to ensure that the supplier is paid;

5.19.5. It is the responsibility of the requisitioning department to determine whether a product to be received is a Workplace Hazardous Materials Information System (WHMIS) controlled substance. All WHMIS controlled substance materials require a current (within the last three years) Material Safety Data Sheet and must clearly note the product name on the packaging; and

5.19.6. Prior to receiving a hazardous material in the Receiving department, the requisitioning department must have appropriate storage facilities available.

5.20. Return of goods

5.20.1. Where cancellation, exchange or return of all or part of a purchase order is required, the requisitioning department shall obtain a Return Merchandise Authorization number from the supplier and provide this information, along with the purchase order and item description change, to the Procurement department. A revised purchase order will be drafted or cancelled by the Procurement department

dependent upon the type of return; and

5.20.2. Goods may be returned, through the Shipping/Receiving department, to suppliers due to damage, defect or unsuitable application.

5.21. Research expenditures

5.21.1. When items (e.g. equipment or software) for research are sought and the granting agency has more stringent and/or different rules around procurement than the College, then the granting agency rules are to be followed;

5.21.2. Researchers who move to a different institution cannot take or move equipment purchased with grant funds. These items remain the property of Durham College, unless otherwise specified by the granting agency. Please contact the Office of Research Services and Innovation if you have inquiries regarding property ownership;

5.21.3. When suppliers make an in-kind discount/contribution for a research project that is in excess of the academic price, further information in recording the in-kind is required and outlined by individual granting agencies. Please refer to the granting agency's requirements;

5.21.4. Research equipment purchases involving in-kind contributions must comply with the granting agency's published requirements for assessing the value of items involving in-kind contributions at the time of contribution. The Office of Research Services and Innovation will retain a record of the assessed value of the contribution. If not stated explicitly by the granting agency, then all equipment purchased through in-kind contributions is the property of Durham College;

5.21.5. When the services of a research collaborator's business is required to protect the integrity and intellectual property of the research initiative, then 'sole sourcing' of services is permitted. Services that can be sourced through a competitive process will be sought when possible; and

5.21.6. In limited instances, the research collaborator may require the services of a preferred supplier to fulfill the obligations of the research initiative. When this expense is to be paid directly by the College as part of an approved research budget and the expense is funded by an external agency, then some 'sole sourcing' of services is permitted. Services that can be sourced through a competitive process will be sought when possible.

5.22. Green Purchasing

Green purchasing is set within the context of achieving value for money. It requires the integration of environmental performance considerations into the purchasing process including planning, acquisition, use and disposal. In this context, value for money includes the consideration of many factors such as cost, performance, availability, quality and environmental performance. Green purchasing also requires an understanding of the environmental aspects and potential impacts and costs associated with the lifecycle assessment of goods and services being acquired. The College sustainability committee has developed guidelines and purchasing methods that can assist and offer opportunities to reduce the environmental impacts of College operations. These guidelines can be found on ICE under the committees section.

5.23. Exception

Any exception to this procedure shall be documented and must be approved by the Chief Financial Officer.

6. Roles and responsibilities

6.1. The Chief Financial Officer and the Procurement Manager are responsible for ensuring that this policy and procedure is enforced and that any exceptions to this procedure are documented and approved. They will also provide support, information, training and counsel for the individuals, schools and departments involved in purchasing activities.

6.2. The Procurement department will work with other areas of the College to simplify and standardize like requirements, manage inventory and promote quality control. The Procurement department will strive to find new sources of supply in order to maximize value for expenditure.

6.3. All employees are responsible for understanding and complying with this policy and procedure to ensure all purchasing transactions are properly reviewed and executed.

7. Accessibility for Ontarians with Disabilities Act considerations

In accordance with sections 5 and 6 of the Integrated Accessibility Standards Ontario Regulation 191/11, the College has a responsibility to incorporate accessibility criteria and features when purchasing goods, services or facilities.

If it is not practicable to incorporate accessibility criteria and features when purchasing or acquiring goods, services or facilities, an explanation must be prepared as to why accessibility features were not included.

All staff shall consider the barriers of students and employees with various disabilities and look for options to better fit everyone’s needs.

7.1. Accessibility requirements

- Can a person with a disability use this good, service or facility? What are the barriers?
- Can someone with a disability use a facility that is being acquired, as quickly and easily as a person without a disability?
- Will the good, service or facility adapt to the needs of an individual with a disability?
- What are the appropriate accessibility criteria and how can they be incorporated into the procurement process?

7.2. Criteria to consider when purchasing goods

Can the product:

- Be used by someone in a seated position?;
- Be used by someone using one hand with limited upper body strength or limited fine motor skills?;
- Be used by someone with vision loss, low vision or hearing loss?;
- Meet ergonomic standards?; and
- Be customized to meet a variety of needs?

7.2.1. Examples

- When purchasing new doors, make sure they are not glass as people with low vision or wheel chairs can run into them (causing embarrassment and injury);
- When purchasing support bars for washrooms, L-shaped ones are best for various needs;
- When purchasing new self-service kiosks or screens with instructions, consider people with limited vision;
- When purchasing an electronic viewing device, make sure it is capable of playing videos with closed captioning;
- When purchasing new fire alarms, consider siren and strobe light alarms to accommodate persons with hearing disabilities;
- When purchasing signs, make sure they have good contrast. For example, a white background with black letters would be best. It is difficult to read white letters on a dark background. Can a person with a disability use this good, service or facility? What are the barriers?
- Can someone with a disability use a facility the College is planning to acquire, as quickly and easily as a person without a disability?;

- Will the good, service or facility adapt to the needs of an individual with a disability?; and
- What are the appropriate accessibility criteria and how can they be incorporated into the procurement process?

7.3. Criteria to consider when purchasing services

- Has the service provider, provided its staff with accessible customer service training, as required under the Customer Service Standard?;
- Can the service provider accommodate the needs of people of all abilities?;
- Will the company use accessible signage, audio and/or print materials?;and
- Does the company have an accessible website?
- Examples:
  - Service providers should post signage during sidewalk repair work to prevent major detours for people with disabilities; and
  - If hiring a consultant to prepare specifications be sure that it is incorporating accessibility into the document.

7.4. Some criteria to consider when purchasing facilities

- Can someone using a mobility aid, like a wheel chair or walker get around the facility?;
- Are signs placed at an accessible height?; and
- Does the facility have emergency procedures to assist people with disabilities?

7.4.1. Examples

- Ramps are better than stairs (for people with limited vision and limited mobility);
- Is the location close to transit?;
- Is there enough accessible parking?;
- Accessibility means more than an accessible entrance to a building. It also means: wide hallways and doorways throughout the building, well-positioned automatic door openers to all rooms, lower soap dispensers and paper towel dispensers close to the sinks; and
- Are there indicators of where the stairs are?
- Is the room bright enough or is there good acoustics? This is important for people with low vision or hearing.

8. Non-compliance implications

Any violation of the Procurement policy and procedure could result in financial or other penalties to the College and/or negatively impact its reputation.

9. Related forms, legislation or external resources

- Broader Public Sector Procurement Directive – Issued by the Management Board of Cabinet
- Canadian Free Trade Agreement (CFTA)
- Comprehensive Economic and Trade Agreement (CETA)