Policy #	9001 Procurement Policy
Current Publication Date:	February 2020
Previous Publication Date(s):	May 2014
Office of Accountability:	Finance Department
Administrative Responsibility:	Director, Finance Vice-President, Finance & Administration
Approver(s):	Audit, Finance and Risk Committee of the Board of Governors on the recommendation of the Director, Finance and Vice-President, Finance & Administration

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1.   Procurement Policy

The Finance Office is responsible for the acquisition of quality goods and services in support of the goals and mission of OCAD University ("OCAD U" or "the University"). The purchasing process, as outlined here, is administered in accordance with this directive and its related policies, unless otherwise delegated by the Board of Governors, the President, or the Vice-President, Finance & Administration.

The Ontario Broader Public Sector (BPS) Procurement Directive was issued by Management Board of Cabinet, effective April 1, 2011. This Directive applies to all designated broader public sector organizations as provided for under section 12 of the Broader Public Sector Accountability Act, 2010. The purpose of the Directive is "to ensure that publicly funded goods and services, including construction, consulting services, and information technology, are acquired by BPS organizations through a process that is open, fair and transparent; to outline responsibilities of BPS organizations
throughout each stage of the procurement process; and to ensure that procurement processes are managed consistently throughout the BPS".

OCAD University is a covered entity and must conduct its procurement in compliance with the Canadian Free Trade Agreement (CFTA), a pan-Canada (domestic) trade agreement effective July 1, 2017. The University is also a covered entity under the Ontario-Quebec Trade and Cooperation Agreement (OQTCA) effective November 2007, a bi-lateral trade agreement between Ontario and Quebec.
In addition, the University is a covered entity under the new Canada-European Union Comprehensive Economic and Trade Agreement (CETA) which came into force on September 21, 2017.

This policy governs the acquisition of goods and services and construction and renovation work with University funds from all sources, including the operating, research, capital and ancillary funds and all other funds held in trust, at its disposal. In addition to applicable procurement legislation and regulation, as recognized by the Directive, the University is also bound by requirements of funding agencies, to the extent that those requirements comply with applicable procurement legislation and regulation.

2.   Purpose

OCAD University has policies and procedures in place to ensure that OCAD University abides by the Government of Ontario's current Procurement Directives, which emphasize the importance of sound management of public funds through competitive bids and transactions that are "fair, open and transparent".

The purpose of this Policy is to ensure ethical, efficient and accountable practices are used for sourcing, procuring or other supply chain related activities;

> 2.1.1.   To promote OCAD University's accountability in its use of public funds for the acquisition of goods and services;
>
> 2.1.2.   Establish guidelines to which all OCAD University Programs / Departments must adhere in acquiring goods and services;

2.1.3. Outline the role and responsibility of Procurement Services of the Finance Office in assisting departments to acquire value-added, appropriate, high quality goods and services that meet OCAD University's immediate and long-term needs at the best overall cost and process standardization.

2.1.4. Define the responsibility of all OCAD University employees involved in the purchasing process.

2.1.5. Ensure that OCAD University functions according to generally accepted business practices of the Broader Public Sector (BPS), including the Government of Ontario's Supply Chain Guideline for Purchasing Policies and Procedures and Code of Ethics, and the Provincial Auditor (Note: Policies of external granting agencies may supersede OCAD University's internal policies)

2.1.6. Endorse sustainable and environmentally responsible procurement practices.

3. Principles

The university faculty and staff must conduct procurement activities according to the law in Ontario, including contract law, the law of competitive processes, privacy legislation, accessibility legislation and any other legislation as may be applicable.

The university may also be subject to various trade agreements, including but not limited to:

3.1.1. Broader Public Sector Procurement Directive Broader Public Sector Procurement Directive

3.1.2. Broader Public Sector Accountability Act, 2010 BPS Accountability Act, 2010

3.1.3. The Ontario-Quebec Trade and Cooperation Agreement (OQTCA)

3.1.4. Canadian Free Trade Agreement (CFTA)

3.1.5. Canada-European Union Comprehensive Economic and Trade Agreement (CETA)

3.1.6. All goods and services purchased must meet the requirements of the Accessibility for Ontarians with Disabilities Act (AODA);

4. Application and Scope

All purchasing documents prepared by, or on behalf of OCAD U, are subject to the conditions and terms outlined in this policy. These policies apply to all purchases made by OCAD University with the following exceptions (unless otherwise noted by law or trade agreement):

4.1.1. Utilities (electricity, gas, water, etc.);

4.1.2. Insurance, legal and audit fees;

4.1.3. Investment services;

4.1.4. Personnel services (benefits, wage and salary administration); and

4.1.5. Others, as approved by the President or Vice-President, Finance & Administration

4.1.6. Procurement Policy Exemptions

4.1.7. Limited Tendering and Non-Competitive Procurement

5. Procedures and responsibilities for all OCAD University Departments / Programs

5.1. Segregation of Duties

Segregation of duties and delegation of authority are essential controls within the procurement process. Together they ensure the integrity of the process and reduce the exposure to inappropriate and unlawful expenditures.

The acquisition of goods and services is the primary responsibility of Procurement Services except as specifically delegated by the Board of Governors or the President.

5.2. Procurement Services (Finance Office)

5.2.1. The role of Procurement Services is to identify sources for required goods and services, to select and to contract the acquisition as economically as possible within accepted standards of quality.

5.2.2. To manage supplier relationships on behalf of the University and to ensure that purchases are made in accordance with this policy.

5.2.3. All purchasing transactions will be done in a fair, ethical and transparent manner, providing suppliers with equal access to University business.

5.2.4. Procurement Services will work with the budget holder when procurement requirements are identified.

5.2.5. Procurement Services administers all RFx documents for goods and services and commits the University to the purchase. Complete documentation of these RFx documents is maintained in Procurement Services or in the delegated program/departments for seven years for audit purposes.

5.3. Budget Holder (Departmental / Program or Research)

5.3.1. The Budget Holder is accountable to the University and/or the granting agency for the appropriate use of funds.

5.3.2. The Budget Holder is responsible for identifying the requirement(s), developing the specification(s), authorizing the use of a general ledger account containing sufficient funds, preparing the requisition, and working with Procurement Services to evaluate the bids received.

5.3.3. The Budget Holder is responsible to confirm that the required goods or services were physically received, correct and complete.

5.4. Research Accountant (Finance Office)

For all Research accounts, prior to purchase, research accounting is responsible for determining;

5.4.1. Eligibility of expenditure under funding agreements, contracts and applicable policies; that sufficient funds are available; and that appropriate documentation is in place.

5.5. Accounts Payable (Finance Office)

Prior to payment, Accounts Payable is responsible to confirm that the appropriate approvals are in place, to apply correct tax codes and to authorize the release of payment to the supplier.

6. Method of Purchase Requirements & Approval Authority Levels (AAS) – Appendix A

All procurement of goods and services must comply with the approval requirements and procurement methods as set out in Appendix A.

The dollar value of a purchase determines the procurement and payment method and approval authority levels.

6.1. Professional Services (non-consulting) – Appendix B

Those services provided by individuals or firms possessing the necessary professional licenses, certifications or training to undertake work within their specialization to contribute to the normal operation (in their regulated capacity) or contribution to defined and approved projects. Some examples include licensed professionals such as Professional Engineers, Medical Doctors, Architects as well as specializations from IT professionals, etc.

6.2. Consulting Services – Appendix C

Expert advice and guidance, Strategic advice, thinking, guidance or plans, Assessment without implementation, Consideration and/or decision making.

An Open Tender RFx is required for all consulting services regardless of value.

*All items over $100,000 which are not within the approved operating budget, and any items $250,000 or more, must be reviewed and approved by the Audit, Finance, & Risk Committee and either the Board of Governors or (in exceptional circumstances) the Board Executive Committee (if the timing of the approval required will not allow for the proposal to be presented to a meeting of the full Board of Governors).

6.3. Procurement Policy Exemptions / Limited Tendering (single/sole source) – Appendix D

The requirement for a purchase order or competitive bid may be waived in the event of an emergency; a single/sole source to follow normal purchasing procedures in such an emergency must be completed and forwarded to Procurement Services.

If the contract is for consulting services, a competitive bid is mandatory, regardless of the dollar value of the spend. Waiving the competitive bid process for consulting services requires approval from the Vice-President Finance and Administration, who will then request the approval of the President (for purchases up to $249,999), and by the Board of Governors if greater than this amount.

Prior to engaging the supplier, Budget Unit Holders must provide the completed Limited Tendering and Non-Competitive Procurement form to Procurement Services for processing and reporting requirements.

7. Budget

It is the responsibility of all OCAD University requisitioners to ensure that adequate funds are available within their department / program budget prior to commencing the purchasing process.

    7.1.1. A Purchase Order (P.O.) is a legal contract and is generated for every properly approved purchase of goods or services. The Finance Office is the only authorized channel for issuing or cancelling a Purchase Order (P.O.)

    7.1.2. Prior to issuing a purchase requisition, requistioners should complete a comparison of suppliers, taking into consideration such things as price, quality, specification compliance, date of delivery, other terms, conditions, experience and reputation of a supplier etc., where applicable.

    7.1.3. Whenever practical and appropriate, and for any purchase of $5000 or more ($10,000 or more in the case of equipment repairs), the requistioner must obtain competitive quotes and consult with Procurement Services.

    7.1.4. It is the responsibility of the requistioner to ensure that the process for procurement of goods and services is in accordance with these purchasing policies and procedures, as well as departmental and legal restrictions. The Finance Office will, to the best of its ability, provide any information or assistance in meeting this requirement.

8. Code of Ethics

In accordance with the BPS Procurement Directive, effective April 1, 2011, and as amended from time to time, OCAD University formally adopts the Ontario Broader Public Sector (BPS) Supply Chain Code of Ethics.

OCAD University aspires to high ethical, legal, environmental, managerial and professional standards in the management of the resources entrusted to it. Within this context, the University shall procure goods and services in an open, fair and transparent manner and in a competitive environment, so that all transactions yield the optimal benefit to the University in the circumstances.

8.1. Guidelines

All employees of the University who, during the course of their duties, are involved in the process of acquiring goods or services shall perform their duties to the following standards:

8.1.1. Ensure all procurement activities are conducted according to University policies, provincial and federal laws, and respect the principles of ethical business practices

8.1.2. Support collaborative procurement, and the adoption and sharing of leading procurement practices

8.1.3. Conduct business with all current and prospective suppliers in good faith

8.1.4. Grant all competing suppliers fair and equal consideration

8.1.5. Strive to obtain the maximum value for each expenditure

8.1.6. Require honesty and accurate representation of goods and services from all suppliers

8.1.7. Encourage suppliers to consider sustainability and social responsibility in their product or service offerings

8.1.8. Make every reasonable effort to negotiate an equitable and mutually agreeable settlement where disputes occur.

9. Conflict of Interest

A conflict of interest exists when there is a divergence between an employee's personal interests and his or her professional obligations to the University as an employee.

Employees or agents acting on behalf of the University in dealings with a supplier must review and abide by OCAD Universities' Conflict of Interest Guidelines as described below:

9.1.1. OCAD University shall not purchase goods and services from a business or other entity that is owned by an Employee of the University, or from any corporation or other business entity in which an Employee is an employee, a partner or has controlling financial interest.

9.1.2. OCAD University shall not purchase goods and services from a business or other entity that is owned by a member of the University's Board of Governors, or from any corporation or other business entity in which a Governor is an employee, a partner or has controlling financial interest.

9.1.3. No University Employee or Governor shall take any role in the decision-making process or take any steps whatsoever to influence the University's decision to acquire goods or services from any corporation or other business entity in which the Employee or Governor is an employee, a partner or has controlling financial interest.

9.1.4. Notwithstanding the foregoing, in rare circumstances, if and when appropriate and in the best interests of the University, upon full disclosure of a conflict or the perception of a conflict pursuant to any procedures set out therefore, the Vice-President, Finance & Administration may consider whether any such conflict exists and, if so, whether it may be waived or otherwise resolved, and may thereafter and on such terms as are deemed appropriate, approve a proposed purchase of goods or services from a University Employee or Governor, or from a corporation or other business entity in which an Employee or Governor is an employee, a partner or has a controlling financial interest.

9.1.5. Nothing in the foregoing is intended to preclude the Universities' purchase of goods or services from a corporation or other business entity in which the spouse or other relative of a University Employee or Governor is an employee, partner or has a controlling financial interest, provided the University Employee or Governor has no direct or indirect association with the corporation or other business entity, and played no role in, or in any way influenced, the Universities' decision-making process.

10. Gifts and Gratuities

No University employee or agent shall accept gifts, benefits or favours from individuals, firms or corporations with which the University does or may do business, except as token courtesies or except on behalf of the University and for the University's benefit. To ensure transparency and fairness and to avoid conflict of interest, gifts, benefits or favours shall be declared to the Department / Program Head who will use his/her judgment in this regard.

11. Accessibility

OCAD University is committed to ensuring accessibility for students, faculty, staff, and members of the general public with disabilities and to complying with the Accessibility for Ontarians with Disabilities Act (AODA) and the Human Rights Code, R.S.O. 1990, c. H.19.

12. Sustainable and Ethical Procurement

OCAD University is committed to conducting its activities in alignment with its Sustainability Policy. The University recognizes that purchasing decisions have a lifecycle impact and that OCAD University has influence both upstream and downstream of operations. This impact can involve goods and services as well as the supply chains of suppliers.

Purchasing decisions can signal priorities to the marketplace and OCAD aims to partner with organizations that share our values and demonstrate a commitment to addressing climate change and social justice. As a Broader Public Service (BPS) organization, OCAD University is an 'anchor institution' that can leverage the University sector's ability to collaborate with other public institutions, create community benefits agreements on major projects, and support equity-seeking workforces.

OCAD University will initiate and maintain environmentally responsible and sustainable procurement practices to maximize our institutions' beneficial environmental and social impact.

13. Facility Accessibility Design Standards (FADS)

These standards apply to all newly constructed and/or renovated OCAD University owned, leased or operated facilities. Designing and constructing to this standard shall be included as a mandatory requirement in all OCAD University request for proposals, tender documents and construction contracts.