

Policy Name	Procurement		
Policy #	413-G	Category	Finance
Policy Sponsor	Associate Vice-President, Financial Services	Previous Revision Date	December 9, 2016
Policy Approved by	Board of Directors	Revision Date	June 20, 2019
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See the related [POLICY](#).

DEFINITIONS

Single Source – is when more than one supplier or distributor for a product exists in the market; however, only one of those suppliers or distributors is able to meet specific requirements.

Sole Source – is when only one supplier is capable of meeting end-user requirements and specifications.

Corporate Purchasing Card (Pcard) – refers to the credit card, separate from a personal credit card, provided to approved Saskatchewan Polytechnic staff for the payment of approved, business-related expenses, including travel-related expenses. An application for a Pcard is found under Financial Services ourcollaborate site.

Purchasing – refers to the process involved in ordering goods such as request, approval, creation of a purchase order record (a Purchase Order or P.O.) and the receipting of goods. It is a subset of the wider procurement process.

Procurement – is the overarching function that describes the activities and processes to acquire goods and services. Importantly, and distinct from “purchasing”, procurement involves the activities involved in establishing fundamental requirements, sourcing activities such as market research and vendor evaluation and negotiation of contracts. It can also include the purchasing activities required to order and receive goods.

PROCEDURES

General

1. The Procurement department has the responsibility for the management of all procurement services.

Procurement may grant delegated authority for the procurement of goods and services specifically related and limited to Saskatchewan Polytechnic operations. Those with delegated authority are required to be in compliance with the procurement policy and follow all applicable procurement procedures. The following units are the only offices authorized to undertake procurement under Saskatchewan Polytechnic purchasing framework on behalf of Saskatchewan Polytechnic Procurement department:

Library:	for physical and digital library collections
Bookstore:	for textbooks and ancillary items for resale
Cafeteria:	for food services

2. Employees must not split purchases. For example, splitting what should be a single purchase or contract into two (2) or more parts that are below relevant purchasing thresholds in order to avoid the need for a higher level approval to purchase.

3. All leasehold improvements through the Ministry of Central Services (MCS) must be set up through the web requisition/purchase order process.

4. All procurement of goods or services for Saskatchewan Polytechnic will be based on the following minimum guidelines. It is the policy of Saskatchewan Polytechnic to acquire goods and services through a competitive process whenever practical. As such, Procurement may recommend further research be done for any given price level. As allowed under the relevant trade agreements, these minimum guidelines do not apply to the purchase of goods intended for resale to the public (e.g. ancillary items for resale).
 - a. Any item(s) not exceeding \$5,000 (pre-tax) in value may be purchased based on:
 - i. Purchasing's knowledge of and experience with the supplier; or
 - ii. The requisitioner's knowledge of last purchase price; and/or
 - iii. A verbal quotation.
 - b. Any item(s) not exceeding \$25,000 (pre-tax) in value may be purchased on the basis of verbal quotations from no fewer than three (3) suppliers. The quotations must be documented in writing and attached to the electronic web requisition for audit control purposes.
 - c. Any item(s) not exceeding \$75,000 (pre-tax) in value may be purchased on the basis of written quotations from no fewer than three (3) suppliers and attached to the electronic web requisition for audit control purposes. Should the minimum number of formal submissions not be obtained, the associated document must detail the reason why this was the case.
 - d. Any item(s) exceeding \$75,000 (pre-tax) in value must be purchased through a public formal competitive bidding process (Request for Tender/Proposal/Quote (RFx) or Prequalification). All quotes will be evaluated on the price (all aspects associated with), quality (technical and commercial evaluation), environment (health and safety, labour standards, consumer protection, or sustainability), and social impact (community impact to Saskatchewan).

Saskatchewan Polytechnic purchasing dollar threshold summary for determining minimum competitive or non-competitive purchasing methodologies:

Purchasing \$ Threshold	Purchasing Methodology
\$0 - \$5,000 (pre-tax)	Based on Purchaser's knowledge - Pcard preferred
\$5,000 - \$25,000 (pre-tax)	Verbal Quotes - Minimum of 3 - Must be documented
\$25,000 - \$75,000 (pre-tax)	Written Quotes - Minimum of 3 - Must be documented
➤ \$75,000 (pre-tax)	Formal Competitive Process - (Request for Tender/Proposal/Quote (RFx) or Prequalification) Contract - Goods – at the minimum a purchase order - Services – General Services Agreement

All thresholds are applied over the life of the contract or agreement.

Exceptions

1. In compliance with the procurement policy statement no. 3, the following areas have been identified as exceptions and may be purchased without the use of a purchase order. Each exception must be approved and signed with the appropriate authorization as per the Management Authorities Grid and the procurement policy.

Exception	Responsibility	Method of Payment and Supporting Documents Required
Procure goods (NOT capital) and/or services with a value of less than \$5,000	Saskatchewan Polytechnic	Pcard preferred and/or an invoice, and/or an internally designated form.
Acquisition or lease or rental of property	Facilities	A signed contract and an invoice are required for payment.
Professional Fee remittances (e.g. insurance, audit, legal)	Financial Services	
Catering	Saskatchewan Polytechnic	Pcard preferred and/or an invoice, and/or an internally designated form
Advertising	Saskatchewan Polytechnic	
Travel related expenses	Saskatchewan Polytechnic	Usage of the electronic travel and expense module or Pcard.
Payroll related remittances and benefit plans	Financial Services, Human Resources	A remittance advice, and/or an invoice, and/or internally designated form.
Government related remittances – PST, GST etc.	Financial Services	
Utilities	Facilities	
Canada Post and inter-office related courier charges	Financial Services	
Payments to an individual (non-employee) - includes honoraria, royalty/copyright payments, scholarships and awards	Human Resources, Accounts Receivable, Donor and Alumni	An invoice, and/or internally designated form.
Financial Services - includes investment, securities and banking services	Financial Services	
Professional development (course and conference registrations) and memberships	Saskatchewan Polytechnic	A remittance advice, and/or an invoice, and/or internally designated form, and/or usage of the travel and expense module (TEM).

Legislative and Policy Compliance

1. All capital must be purchased through the web requisition/purchase order process.
2. A contract is required where risk, or complexity of the purchases are greater than can be directly addressed through the purchase order and/or RFP terms and conditions. For service contracts the General Services Agreement template is preferred.
3. On an annual basis, senior management council (SMC) and the board of directors, audit committee will be provided with a compliance summary report of any significant procurement compliance concerns:
 - procurement of goods or services in excess of \$75,000 that were excluded from the competitive bidding process under section 5 of this policy; and
 - any significant compliance issues.

4. No goods or services shall be procured or sourced from a Saskatchewan Polytechnic employee.
5. Saskatchewan Polytechnic employees must not do or say anything to create a verbal contract or otherwise commit to purchase on behalf of Saskatchewan Polytechnic.
6. As a publicly-funded organization, Saskatchewan Polytechnic is considered a member of the MASH sector (Municipalities, Academic, Schools and Hospitals) and as such is subject to the New West Partnership Trade Agreement (NWPTA) and The Agreement on Internal Trade (AIT). In compliance, any construction exceeding a threshold of \$200,000 or goods and/or services exceeding a threshold of \$75,000 must adhere to the procurement rules outlined in these agreements. Saskatchewan Polytechnic posts all bid requirements for \$75,000 and greater on the SaskTenders website www.sasktenders.ca.
 - The permitted response time to a solicitation must be sufficient to allow all potential proponents to have a reasonable time to compete, taking into account the required time to disseminate information, the complexity of the procurement, and the time required to prepare an appropriate response.

Corporate Purchasing Card (Pcard)

When making purchases for Saskatchewan Polytechnic (on a Saskatchewan Polytechnic corporate card), employees must not use personal points programs for collecting points such as Air Miles, Co-op numbers, PC Plus, Canadian Tire, etc. This is considered a taxable benefit by the Canada Revenue Agency (CRA). An application for a Pcard can be found under Financial Services ourcollaborate site.

Single or Sole Sourcing

1. Competitive bid exceptions or Single or Sole sourcing may be exercised by Saskatchewan Polytechnic only if the documented justification can be met and approved and if there are organizational strategic priorities or essential and/or material reasons for awarding an order or contract without soliciting competitive bids. Validating such alignment helps ensure Saskatchewan Polytechnic provides all potential suppliers equal and fair treatment and meets its externally-imposed procurement requirements.
2. All Single or Sole source justifications must be documented with appropriate rationale that would support a transparent award process and withstand public scrutiny. These purchases must be authorized by the department's SMA member and reviewed by the Manager, Procurement prior to any purchase and in compliance with the first policy statement. Saskatchewan Polytechnic's standard Single or Sole source documentation waiver of competitive bidding form must be used and is available under Financial Services ourcollaborate site.
3. Sole sourcing is when only one supplier is capable of meeting end-user requirements and specifications. For example:
 - i. In the case of specialized and/or custom-designed equipment or services for which there is only one known or recognized product leader; or
 - ii. When the requested item is to match existing product, equipment or systems and is only available from the original product manufacturer; or
 - iii. No other distributor in the market.
4. Single sourcing is when more than one supplier or distributor for a product exists in the market; however, only one of those suppliers or distributors is able to meet specific requirements; for example:
 - i. In cases where the immediate procurement of a goods or services is essential for the continued functioning of a Saskatchewan Polytechnic program; or
 - ii. Where goods or consulting services regarding a confidential or privileged matter are to be acquired, the disclosure through a competitive process could reasonably be expected to compromise confidentiality, cause economic disruption or be contrary to public interest; or
 - iii. The estimated expenditure is less than \$5,000 (pre-tax) for goods and services and where there is a limited number of potential vendors.

5. Where a Single or Sole sourced contract for the continuation of services is to be awarded (that is not the result of exercising option to renew) and the requirements have not changed from those provided under the initial contract, Saskatchewan Polytechnic may rely upon the original Single or Sole source justification if it is still relevant. The justification must be reviewed, resigned and dated.
6. If the justification is not reviewed, resigned and dated, Saskatchewan Polytechnic must update the original justification, or provide a new one, or go to the competitive process.