

1.0 ASSOCIATED POLICY

Procurement of Goods and Services

This procedure provides guidance for University Employees to determine the appropriate method to be used to purchase Goods and/or Services within the scope defined with the Policy.

2.0 DEFINITIONS

Contract

Any document entered into on behalf of the University with a third party that creates a legally binding obligation, commitment, right or liability for the University, and includes memoranda/letters of understanding or cooperation and letters of intent.

EPACS

Expense Procurement and Contract Services department.

Goods and/or Services

All equipment, materials supplies and/or services acquired from any external party to the University, including; Suppliers, contractors, service providers and/or individuals, exclusive of those Goods and/or Services as specifically identified as exclusions in the *Procurement of Goods and Services* policy.

Non-Purchase Order

A process for direct ordering of Goods and/or Services exempted from the requirement for the issue of a binding purchase order document containing terms **and** as listed in the category contained in the Guideline attached to this procedure, **and/or**, is a single time purchase less than \$5000 in value from a Supplier that **does not** accept a P-Card as payment.

P-card

The approved credit card provided to Employees for the purpose of incurring Allowable Expenses and/or for the procurement of qualifying Goods and/or Services.

Purchase Order (PO)

A legally binding document authorized by EPACS and issued to a Supplier to provide Goods and/or Services to the University in accordance with terms and conditions defined by the University. EPACS is the delegated authority to enter into a Purchase Order agreement in accordance with delegation approved by The Board of Governors of Grant MacEwan University through the Procurement of Goods and Services Policy.

Requisition

An automated request, submitted by an authorized Employee, to purchase Goods and/or Services that, when approved by another Employee, having the financial authority of the University, authorizes EPACS to issue a PO commitment to a Supplier on behalf of the University.

Supplier

Any entity or individual external to the university who may be engaged by the university through a procurement process to provide Goods and/or Services. For the purpose of this procedure, includes contractors, consultants, and vendors.

Tracked Assets

Goods with a cost of \$1,000 or greater (excluding GST) and with a useful life greater than one year.

3.0 PROCEDURE ELEMENTS

- 3.1 The purpose of this procedure is to outline the processes to be followed for the purchase of Goods and/or Services as required and defined within the *Procurement of Goods and Services Policy*.

This procedure contains additional information to assist MacEwan employees to determine and follow the applicable purchasing method/process that best applies to the circumstance or requirement.

The specific processes described within this procedure include:

1. P-Card
2. Purchase Order (PO)
3. Non-Purchase Order (NPO)

3.2 Determining the purchase method

To reduce the administrative effort when purchasing Goods and/or Services and to lower the total cost of acquisition, the university supports the following procurement processes. Detailed procedures related to these processes are identified in documentation that can be found by following the applicable hyperlink.

3.2.1 P-Card*

The P-card is the preferred method for purchase and payment for Goods and/or Services in the following circumstances:

- for goods purchased within Canada of a value less than \$5,000 CAD, excluding Tracked Assets***;
- for **memberships**** and renewal of same of any value (any currency), either individual or organizational, where there is no Contract required to be executed on behalf of the university;
- for **subscriptions**** and renewals of same of any value (any currency), either individual or organizational, where there is no Contract required to be executed on behalf of the university;
- for all **travel and expense** requirements as identified within the Allowable Expense policy and related procedures; **and/or**
- for requirements specifically identified as **P-card preferred** in the Guideline attached to this Procedure.

*Refer to:

<https://www.macewan.ca/myportal/Staff/Departments/ExpenseProcurementandContractServices/index.htm> for procedures on acquiring and using a P-card.

** Note: Memberships and subscriptions are considered sole source exemptions from Competitive Bid under the Trade Agreements as defined within the *Procurement of Goods and Services Policy*

*** Refer to:

<https://www.macewan.ca/myportal/Staff/Departments/Finance/FinancialServices/index.htm> for information on tracked assets.

3.2.2 Purchase Order (PO)

Purchase Orders are obtained by initiation and approval of a Requisition.

Refer to

<https://www.macewan.ca/myportal/Staff/Departments/ExpenseProcurementandContractServices/index.htm> for instruction related to Requisitions.

Requisitions are required to obtain a PO to acquire Goods and/or Services in the following circumstances:

- from a Supplier under Contract to the university, unless the Contract permits the use of P-Card for the purchase of Goods and/or Services;
- from a Supplier enabled with the university's e-procurement web connection automating the purchase requisition creation,
- where the value exceeds \$5000 CAD;
- where the value is less than \$5000 CAD individually, but the requirement will be repetitively requested over time and the cumulative value exceeds \$5000 CAD; and/or
- any dollar value of goods being imported from outside of Canada.

3.2.3 Non-Purchase Order (NPO)

To be used for Goods and/or Services which cannot be purchased using a P-Card (section 3.2.1 above) and do not require a Purchase Order (3.2.2 above).

Examples include the following:

- any purchases identified for P-card when a P-card is not accepted by the Supplier;
- utilities (i.e. power, electricity) and related services for university facilities;

Refer to:

<https://www.macewan.ca/myportal/Staff/Departments/Finance/FinancialServices/index.htm> for further information on non-purchase order.

Refer to *Request for Payment Digital Form* for additional information on payment of non-purchase order items which do not have an invoice.

4.0 RELATED POLICIES, PROCEDURES, FORMS AND OTHER DOCUMENTS

- Allowable Expenses Policy and related Procedures
- Procurement of Goods and Services Policy
- Procurement Competitive Bid and Competitive Bid Exemption Procedure
- Procurement Contracts Procedure
- Contracts Review and Signing Authority Policy and Procedure
- Delegation of Signing Authority Policy

5.0 ACCOUNTABILITY

Responsible Office

Expense Procurement and Contract Services

6.0 HISTORY

Relevant Dates

Approved: **18.11.17**

Effective: **19.01.01**

Next Review: **24.01.01**

Modification History

18.11.17: Approved by President's Policy Committee. New procedure to provide guidance to determine the applicable purchase method for purchase of Goods and/or Services.

GUIDELINE ON DETERMINING PURCHASE METHOD

Procure to Pay Method	Eligibility/Examples	Dollar Limits (\$CAD)	Other Conditions, Limits & Information
<p>P-Card</p> <p>Receipts submitted, and payment released through Expense reconciliation process.</p>	<p>Use to purchase low-value and other identified goods and services from Suppliers that accept credit card payment.</p> <p>Use for purchase where P-card has been identified by EPACS as the preferred payment method for goods/services for low dollar purchases within Contracts with Suppliers.</p> <p><i>Examples include:</i></p> <ul style="list-style-type: none"> • Office supplies • Travel expenses • Multi-function device operating expenses • Printing expenses • File storage/destruction expenses • Miscellaneous office services, i.e. water, coffee, etc. • Postage • Advertising expenses • Building (Facilities) operational supplies/services <p>Use for institutional and/or personal memberships, and subscriptions of any value where a Contract</p>	<p>< \$5000</p> <p>May be used for >\$5000 transactions for memberships and subscriptions</p>	<p>Not to be used to purchase goods that are classified as Tracked Assets.</p> <p>Not to be used when paying an individual or independent contractor where T4A documentation will be issued by the university. <i>(Refer to policies on Determination of Worker Status, Contracting for Services with Independent Contractors, and Financial Services information on issue of T4A's for independent contractors).</i></p> <p>Monthly limits are cardholder specific and can be adjusted with signing authority approval.</p>

	<p>is not executed by the University. Use for purchases from outside of Canada where goods are not being shipped across borders and custom clearance is not required. <i>Examples include:</i></p> <ul style="list-style-type: none"> • <i>Single user software distributed electronically and not supported by the University Information Technology department.</i> • <i>Electronic subscription</i> 		
<p>Purchase Order (PO)</p> <p>Requisition is required to initiate a purchase order.</p> <p>Receipt of Goods and/or Services are required to be entered in PeopleSoft against the PO and invoices are required to be submitted to Accounts Payable to complete the payment process.</p>	<p>Use to purchase Goods and/or Services from Suppliers that have entered into Contracts* with the university.</p> <p>(*Refer to above regarding EPACS identified exclusions where P-card is preferred/required).</p> <p>Use to purchase Goods not under contract and individually valued at \$5000 or greater.</p> <p>Use for ongoing Services, not under contract and repetitive within a fiscal year, of a cumulative value greater than \$5K but less than \$75K. <i>Examples include:</i></p> <ul style="list-style-type: none"> • <i>Nursing, Science lab, and IT equipment, scheduled or on-</i> 	<p>No limit</p>	<p>Refer to <i>Procurement of Goods and Services Policy</i> and related Procedures including; <i>Procurement Competitive Bid and Competitive Bid Exemption</i> and <i>Procurement Contract</i> for additional information and process requirements.</p> <p>EPACS is the authorized signatory for Purchase Orders and cannot issue a PO without an approved Requisition being submitted.</p>

PROCURE TO PAY PROCEDURE

	demand repair and maintenance.		
<p>Non Purchase Order (NPO)</p> <p>Receipt of Goods and/or Services and invoices are required to be submitted to Accounts Payable to complete the payment process.</p>	<p>Use to purchase goods and services that would qualify for P-card purchase but the Supplier does not accept the P-card.</p> <p>Use for purchase of goods and services which do not require a purchase order.</p>	No limit	<p>For additional information, please see Accounts Payable section of Financial Services information available on https://www.macewan.ca/myPortal and the Request for Payment Digital Form located in the Forms Cabinet.</p>