

Supply Chain Management Policy

Classification Financial Management	Table of Contents 1 Purpose 1 2 Scope 1 3 Definitions 1 4 Policy Statement 2 5 Special Situations 3 6 Responsibilities..... 3 7 Related Policies 4 8 Related Information 4 9 History 4
Approval Authority Board of Governors	
Implementation Authority Director, Supply Chain Management	
Effective Date October 8, 2009	
Last Revision N/A	

1 Purpose

The purpose of this policy is to:

- a) clarify accountability for the purchasing, payment and distribution of goods or services at the University of Calgary;
- b) document best practices relating to the purchase, distribution, and payment for goods or services;
- c) realize cost savings by leveraging the institutional purchasing power;
- d) take advantage of institutionally identified preferred suppliers and the purchasing process in Supply Chain Management;
- e) ensure that acquisitions are completed in a fair, equitable and accountable manner; and
- f) ensure compliance with applicable legislation and regulations.

2 Scope

This policy applies to all activities related to the purchase, distribution, and payment for goods or services at the University of Calgary.

3 Definitions

In this policy:

- a) “Authorized” refers to the state of having appropriate authority to initiate or approve an action.
- b) “BAS ERP” means the Business Administration System Enterprise Resource Planning system (previously known as PeopleSoft).
- c) “Employee” means a person employed by the University of Calgary for wages or salary.
- d) “Preferred Supplier” means a supplier who has been selected based on best overall value and has entered into a contractual relationship with the University of Calgary.

- e) “Requestor” means the Employee who initiates a request for goods or services.
- f) “SCM” refers to the Supply Chain Management department.
- g) “University” refers to the University of Calgary.

4 Policy Statement

Procurement Methodology

- 4.1** SCM shall acquire goods or services and dispose of obsolete goods through open and transparent competitive bidding, tendering and sole/single sourcing procurement processes.

Authorized Methods of Procurement

- 4.2** Goods or services may be purchased by Authorized Employees through either:
- a) University Authorized Purchase Orders or
 - b) University Issued Credit Cards.
- 4.3** Any exceptions to the authorized methods of procurement must be approved in advance by SCM.

University Authorized Purchase Orders

- 4.4** Requestors will identify their requirements and complete a purchase requisition detailing their requirements.
- 4.5** When approved, the purchase requisition will form the basis for a purchase order which is a binding document between the University and a supplier.
- 4.6** Purchase orders may only be issued by Authorized individuals in SCM.
- 4.7** SCM will document the purchase requisition and purchase order process in a handbook that will be published on its website.

University Issued Credit Cards

- 4.8** SCM will issue Procurement Cards and Travel and Expense Cards to Employees for low dollar value, low risk purchases.
- 4.9** An Employee may use a personal credit card for travel until a University issued credit card is obtained.
- 4.10** SCM will document the credit card application process and regulations relating to the use of the credit card in a handbook that will be published on its website.

Supplier Selection

- 4.11** Preferred Suppliers will be selected using appropriate sourcing methodologies. Technical requirements and standards will be established in collaboration with key stakeholders during the selection process and such requirements will be referenced on the list of Preferred Suppliers.
- 4.12** SCM will publish the list of Preferred Suppliers on its website.
- 4.13** Employees will only use suppliers from this list to procure goods or services. When specific categories are not listed or when Preferred Suppliers cannot meet Requestors requirements, SCM will work with the Requestor to source an appropriate supplier.

4.14 The list will be updated on a regular basis. Requestors must ensure that they are using the current Preferred Suppliers list at all times.

Supplier Payment Terms

4.15 The standard payment term for suppliers will be Net 30 days from the invoice date. SCM may negotiate and authorize different terms.

4.16 Suppliers will submit their invoices to Accounts Payable, University of Calgary. Valid Purchase Order numbers should be clearly indicated on the invoice.

4.17 SCM will work directly with suppliers to resolve any and all invoice issues. Requestors will forward inquiries, comments and concerns from suppliers to SCM.

Receipt of Goods or Services

4.18 Goods or services will be delivered per the delivery instructions outlined on the Purchase Order.

4.19 Requestors will validate receipt of goods in the BAS ERP system in order to ensure that the quality, quantity and price of the goods or services are correct and that payment is made only for goods or services actually requested and received.

Authorized Purchases

4.20 Only those persons Authorized by the University of Calgary may commit University funds to purchase goods or services or enter into an agreement with a supplier to purchase goods or services.

Violations

4.21 Violators of this policy may be subject to penalties under University regulations, collective agreements, and under provincial and federal law.

Policy Review

4.22 This policy shall be reviewed annually on the anniversary of the Effective Date.

5 Special Situations To facilitate implementation of this policy, the Executive Director, SCM may sub-delegate specific responsibilities with respect to purchasing, payment and distribution of goods or services at the University of Calgary.

6 Responsibilities

6.1 Approval Authority

- a) ensure appropriate rigour and due diligence in the development or revision of this policy.

6.2 Employees

- a) become familiar with this policy and related procedures and instructions;
- b) understand and comply with the University's policies, procedures, and operating systems; and
- c) act in good faith and solely in the best interests of the University.

6.3 Implementation Authority

- a) ensure that University staff are aware of and understand the implications of this policy and related procedures;
- b) monitor compliance with the policy and related procedures;
- c) regularly review the policy and related procedures to ensure consistency in practice; and
- d) sponsor the revision of this policy and related procedures when necessary.

6.4 SCM

- a) facilitate the adoption and implementation of the Supply Chain Management Policy and related procedures.

6.5 SCM – Procurement

- a) procure all goods or services necessary for the operation of the University.

6.6 SCM – Distribution Services

- a) handle the receipt of goods from outside the campus, the movement of goods on campus, and the disposal and/or outbound movement of goods.

6.7 SCM – Accounts Payable

- a) process payments to suppliers and expense reimbursement for staff, faculty and non-employees.

7	Related Policies	Delegation of Authority Policy Code of Conduct
8	Related Information	Preferred Suppliers Procurement Handbook Travel and Expense Reimbursement Handbook
9	History	October 8, 2009 Approved and Effective. January 1, 2020 Editorial Revision. Updated format and links.