

 <b>The University of British Columbia Board of Governors</b>	<b>Policy No.:</b>  <b>FM2</b>
<b>Long Title:</b>  Purchasing	
<b>Short Title:</b>  <b>Purchasing Policy</b>	

**Background & Purposes:**

This Policy outlines the persons with authority to acquire goods and services on behalf of the University and the principles upon which such acquisitions should be made. It also provides for the internal guidance of employees at the University and has no impact on the University’s relationship with third parties unless expressly part of a contract with them.

**1. General**

1.1 This Policy applies to the acquisition of all goods and services made on behalf of the University of British Columbia, including all capital expenditures and goods for resale.

**1.2 Authority**

1.2.1 No person shall commit the University to agreements, licences, contracts, leases, or other legally enforceable obligations unless authorized to do so by the Board of Governors or by the Department of Supply Management (to which power has been delegated by the Board of Governors.)

**1.3 Principles**

1.3.1 The acquisition of goods for the University will be conducted in accordance with the following principles:

- (a) Probity – the highest level of personal and organizational integrity must accompany each transaction;
- (b) Performance Measurement – transactions will be evaluated according to contractual standards agreed upon by the University and the supplier;
- (c) Best Value – each decision should be made in the overall best interest of the University and its end users through the appropriate weighting of all decision making factors;

- (d) Open and Fair Access – the supply community should be aware of, and permitted to compete for, supply opportunities in their demonstrated field of expertise;
- (e) Community and Environmental Leadership – decision making factors may be weighted to acknowledge local business development and the University’s role in environmental leadership.

#### **1.4 Delegation**

- 1.4.1 The Vice-President, Finance and Operations is responsible to the Board of Governors for the correct application of this Policy.
- 1.4.2 The Director of Supply Management is responsible to the Vice-President, Finance and Operations for the implementation of this Policy. Through departmental officers the Director is responsible for ensuring that this Policy’s principles are understood, applied and measured.
- 1.4.3 The Department of Supply Management has been delegated authority by the Board of Governors to commit the University to binding supply agreements such as purchase orders, equipment leases, and contracts from all sources of University funds, including the general operating budget, research funds, capital funds and other monies held in trust for special purposes.
- 1.4.4 The Department of Supply Management has re-delegated its authority and accountability to other officials within the University and may continue to do so where there are valid business reasons to do so.
- 1.4.5 The Board of Governors has also directly delegated the authority to purchase certain commodities to specific operating units.
- 1.4.6 Heads of academic and administrative units are responsible for the implementation of this Policy to the extent they have been delegated purchasing authority by the Board of Governors or by the Department of Supply Management.

## **2. Procedures**

- 2.1 Procedures that have been passed by the Board of Governors or the President in accordance with the Regulatory Framework Policy are available from the web site maintained by the Department of Supply Management at <http://www.supplymanagement.ubc.ca>.



## EXPLANATORY NOTES REGARDING THE PURCHASING POLICY AND ASSOCIATED PROCEDURES

Issued July 2019 by the Office of the University Counsel

*The OUC has prepared these Explanatory Notes to provide context and background regarding the Purchasing Policy. These Explanatory Notes do not replace or supersede the content of the Purchasing Policy and its Procedures.*

<b>Policy Long Title:</b>	Purchasing
<b>Policy Short Title:</b>	Purchasing Policy
<b>Policy Number:</b>	FM2
<b>Responsible Executive:</b>	Vice-President, Finance and Operations
<b>Responsible Board Committee:</b>	Finance Committee
<b>Related Policies:</b>	GA2 - Regulatory Framework Policy
<b>History:</b>	<ul style="list-style-type: none"><li>• The Purchasing Policy was first approved by the Board of Governors in October 1978;</li><li>• The Purchasing Policy was revised in May 2003;</li><li>• The Purchasing Policy was updated in July 2019 to reflect a new policy identification system; it is currently identified as the Purchasing Policy, its long title is Purchasing, and its number is FM2. The previous identification number for this policy was #122;</li><li>• The Policy was updated in September 2019 to reflect current position titles.</li></ul>
<b>Related Legislation:</b>	N/A