



UNIVERSITY OF TORONTO

University of Toronto

Governing Council

Procurement Policy

April 28, 2020

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Preamble

The University of Toronto's Procurement Policy (the "Policy") is governed by legislation and regulations that may be introduced from time to time, as noted in (a) through (e) and includes the Supply Chain Code of Ethics (Appendix 1) and Approval Authority Schedule (Appendix 2):

- (a) the *Broader Public Sector Procurement Directive*, issued by Management Board of Cabinet (the "BPS Procurement Directive");
- (b) the *Canadian Free Trade Agreement (CFTA)*;
- (c) the *Comprehensive Economic and Trade Agreement (CETA)*;
- (d) the *Ontario-Quebec Trade and Cooperation Agreement (OQTCA)*; and
- (e) applicable laws of Ontario including contract law, the law of competitive processes, privacy legislation, accessibility legislation and any other legislation that may be applicable.

Ongoing operation of this Policy is delegated to the University of Toronto administration, which has procurement processes, procedures and related financial guidelines in place that are modified from time to time to comply with institutional policies, applicable procurement legislation and regulations, domestic and international trade agreements, and good business practice. These include:

- (f) the University of Toronto Policy of Approval and Execution of Contracts and Documents;
- (g) the University of Toronto Provostial Guideline for Academic Divisions on Contracts; and
- (h) the University of Toronto Statement on Conflict of Interest and Conflict of Commitment.

Purpose

The purpose of this Policy is:

- (a) to ensure that goods and services including construction, consulting services and information technology are acquired by the University through a process that is fair, open, transparent, non-discriminatory, geographically neutral and accessible to qualified suppliers, subject only to the permitted exceptions set out in this Policy;
- (b) to ensure that the University complies with its obligations under applicable trade agreements and other legislation and regulations; and
- (c) to ensure consistency in the administration of procurement processes and purchasing decisions by the University.

Principles

Procurement activities are to be undertaken in accordance with the following principles, as articulated in applicable domestic and international trade agreements and other legislation and regulations:

Supplier Access, Transparency, and Fairness

Access for qualified suppliers to compete for the University's business must be open and the procurement process must be conducted in a fair and transparent manner providing equal treatment to suppliers. Suppliers must have equal access to information on procurement opportunities, processes and results.

Where the University imposes conditions for participation in a procurement, it shall limit such conditions to only those that are essential to ensure that a supplier has the legal and financial capacities, and the commercial and technical abilities, to undertake the relevant procurement.

Procurement Planning

Prior to any procurement activities, the University shall undertake planning to identify the goods and/or services required to meet its needs, to determine the appropriate procurement method and the appropriate approvals required. The University shall not prepare, design, or otherwise structure a procurement, select a valuation method, or divide procurement requirements in order to avoid the obligations of this Policy.

Conflict of Interest

Conflict of interest, whether actual, potential or perceived, must be avoided during the procurement process and the ensuing contract. It is the responsibility of individuals involved in procurement decision making or a procurement process to disclose any actual, perceived or potential conflicts of interest according to the University's institutional policies on conflict of interest.

Geographic Neutrality and Reciprocal Non-Discrimination

The University must ensure that access for suppliers to compete for business is geographically neutral with respect to other jurisdictions that practice reciprocal non-discrimination with Ontario.

Accountability

The University must be accountable for the results of its procurement decisions and the appropriateness of the processes.

Sustainability

Procurement planning and activities should be undertaken with a view to promoting social, environmental and financial sustainability.

Scope

This Policy governs the acquisition of goods and services, including construction, consulting services and information technology 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 legislation, regulations, domestic and international trade agreements, the University is also bound by requirements of funding agencies, to the extent that those requirements comply with applicable legislation, regulations, domestic and international trade agreements.

This Policy does not apply to the following:

- (a) acquisition of a good, a service, or any combination thereof, procured with a view to commercial sale or resale, or for use in the production or supply of a good or service for commercial sale or resale; and
- (b) participation in any commercial arrangements where the University is not acquiring any goods or services such as affinity programs, sponsorships, and memberships.

The University will determine whether a given purchase of goods or services will be carried out by means of a competitive or non-competitive procurement in accordance with procurement processes, procedures and related financial guidelines, as amended from time to time, having regard to the value of the goods or services and the applicable thresholds in accordance with applicable legislation, regulations, domestic and international trade agreements.

Compliance

Exceptions

Exceptions to competitive bidding requirements must not be for the purposes of avoiding competition or to discriminate against or favour specific suppliers. In rare circumstances, limited tendering (single or sole source purchases) provisions may be used. Details of these circumstances are outlined in procurement processes, procedures and related financial guidelines.

Sheila Brown
Chief Financial Officer April 28, 2020.

Appendix 1

Supply Chain Code of Ethics

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

Ontario Broader Public Sector (BPS) Supply Chain Code of Ethics

Goal: To ensure an ethical, professional and accountable BPS supply chain.

I. Personal integrity and Professionalism

Individuals involved with Supply Chain Activities must act, and be seen to act, with integrity and professionalism. Honesty, care and due diligence must be integral to all Supply Chain Activities within and between BPS organizations, suppliers and other stakeholders. Respect must be demonstrated for each other and for the environment. Confidential information must be safeguarded. Participants must not engage in any activity that may create, or appear to create, a conflict of interest, such as accepting gifts or favours, providing preferential treatment, or publicly endorsing suppliers or products.

II. Accountability and Transparency

Supply Chain Activities must be open and accountable. In particular, contracting and purchasing activities must be fair, transparent and conducted with a view to obtaining the best value for public money. All participants must ensure that public sector resources are used in a responsible, efficient and effective manner.

III. Compliance and Continuous Improvement

Individuals involved with purchasing or other Supply Chain Activities must comply with this Code of Ethics and the laws of Canada and Ontario. Individuals should continuously work to improve supply chain policies and procedures, to improve their supply chain knowledge and skill levels and to share leading practices.

Appendix 2

University of Toronto Approval Authority Schedule (AAS)

In accordance with the Broader Public Sector (BPS) Procurement Directive, effective April 1, 2011, and as amended from time to time, the University formally adopts the following approval thresholds:

Revised: January 2020

Approval Authority: Goods, Non-Consulting Services, Construction and Renovations			
Total Procurement Value before taxes	Means of Procurement	Competitive Process	Non-Competitive Process
Up to \$9,999.99	Informal (1 Written Supplier Quote)	Budget Owner or Designate	Budget Owner or Designate
\$10,000.00 to \$49,999.99	Invitational (2 Written Supplier Quotes)	Budget Owner or Designate	One Level Higher than Budget Owner
\$50,000.00 to \$99,999.99	Invitational (3 Written Supplier Quotes)	Budget Owner or Designate	One Level Higher than Budget Owner
\$100,000.00 and above	Open Competitive	Budget Owner or Designate	One Level Higher than Budget Owner
Approval Authority: Consulting Services			
Total Procurement Value before taxes	Means of Procurement	Competitive Process	Non-Competitive Process
Up to \$99,999.99	Invitational (3 Written Supplier Quotes)	Budget Owner or Designate	President
\$100,000.00, but not exceeding \$1,000,000.00	Open Competitive	Budget Owner or Designate	President
\$1,000,000.00 and above	Open Competitive	Budget Owner or Designate	Business Board