

 <p style="text-align: center;"><b>Confederation</b> COLLEGE</p> <p style="text-align: center;"><b>COLLEGE PRACTICE</b></p>	Number: 2-2-05	# of Pages: 3
	Originator:	College Services
	Approved by:	Board of Governors
	Effective Date:	December 15, 2015
	Replaces:	09-26-13
<b>PURCHASING SPENDING AUTHORIZATION and QUOTATION LIMITS</b>		

### 1. Non-capital Spending Authorization Limits

Budget Holder or Delegate	\$0 to \$3,000
Managers, Deans, Directors (budget holders):	\$3,000 to \$25,000
Senior Team Member	\$25,000 to \$100,000
President	\$100,000 to \$1 million
Board of Governors	over \$1 million

### 2. Capital Spending Authorization Limits

Senior Team Members	\$3,000 to \$50,000
Vice President, College Services	\$50,000 to \$100,000
President (or designate)	\$100,000 to \$1 million
Board of Governors	over \$1 million

*Capital purchases must be charged to approved capital general ledger codes and be on purchase orders*

### 3. Authorization

- Approval authorization limits are for Contracts and Purchase Orders and/or Non-Purchase order invoice payments. Legal signing officers for college contracts are any two of the President, Vice President, College Services and Director of Finance.
- Requisitions for Blanket and Standing Orders will be approved on paper

### 4. Exceptions:

4.1 The following payments over the \$3,000 purchase order threshold , will not require a Purchase Order (generally due to an underlying approved contract or college commitment):

- rental property payments
- inventory purchases for ancillary operations
- payments to ancillary partners
- payroll remittances (Sun Life, Revenue Canada)
- other statutory payroll remittances WSIB / EHT –other
- utilities
- municipal or sales taxes
- local school board (Programs like SCWI)
- postage
- payments to other Ontario Colleges
- college Memberships: (CICan/The Council/Colleges Ontario)
- expense claims / reimbursements
- honorariums, guest Speakers and Doctors/Dentists
- conferences and travel / Meal / Catering expenses
- employment services program: employer stipends payments
- audit fees

4.2 Progress payments on large construction contracts: In addition to having a signed contract and purchase order, progress payment invoices require the following approvals:

- Director of Facilities Services under \$100,000
- Vice President, College Services \$100,000 to \$250,000
- President over \$250,000

4.3 Cheque Approval: all cheques \$100,000 or over must be sent (with backup) to the Vice President, College Services (or designate) for review and approval.

## 5. Purchasing Quotation Limits

### 5.1 PURCHASING QUOTATION LIMITS FOR CONSULTANTS:

**Consultants: \$0 and under \$100,000 (before taxes)** – Three (3) written quotations must be acquired along with a purchase order once the vendor is selected.

**Consultants: \$100,000 and over** – if the procurement value is \$100,000 or more – formal requests for proposal/tender are required, along with a purchase order issued once vendor is selected.

**Non-Competitive Approval Form:** Occasionally, it may be impossible to fulfill policy due to unique circumstances (single/sole source, emergency). In such cases a Non-Competitive Approval Form - Consultants must be completed and approved by appropriate dean/executive director, Purchasing department, the Vice President College Services and the President. Non-competitive Approval Forms over one million dollars must be approved by the Board of Governors.

### 5.2 PURCHASING QUOTATION LIMITS FOR NON-CONSULTANTS (all other):

**Purchases up to \$3,000 (before taxes):** can be made by using the Procurement Card/Petty Cash/Accounts Payable invoice. Purchases do not require quotations nor purchase orders but staff is expected to shop around to obtain best value for money.

**Purchases from \$3,001 and up to \$9,999 (before taxes):**

Purchases must be made utilizing the requisition and purchase order system, unless they are explicitly listed as an exception on page 1. Requisitions under \$10,000 will be processed with little scrutiny assuming the user has good price/quality knowledge and staff is expected to shop around to obtain best value for money. Where a supplier has not been indicated, the buyer will select one from an approved list for that product line. If the item is among those tendered or under standing orders, the approved supplier will be used. The Procurement Card **cannot** be used for purchases over \$3,000 except for travel.

**Purchases from \$10,000 and up to \$99,999 (before taxes):** Purchases require 3 written quotations and must be made utilizing the requisition and purchase order system. These quotations must be from the supplier. If you make many purchases in a year, which total within this range, you should be going out for written pricing for a fixed period – i.e.:1 year, 2 years, or 3 years. Talk to Purchasing for assistance in deciding which way to go.

**Purchases \$100,000 and over (before taxes):** Policy requires that all purchases \$100,000 and over be awarded as the result of a tender/proposal process. Purchasing must oversee the tendering/proposal process, as required by policy of the Board of Governors. Specifications are the responsibility of the user department in consultation with Purchasing Services. A tender/proposal review committee consisting of the Departmental Manager, representative of Purchasing Services and the user department may review all tenders/proposals and award the

contract. **The entire contract period must be taken into account in deciding the value of the contract (e.g. 1, 2 or more years).**

**Non-Competitive Approval Form:** Occasionally, it may be impossible to fulfill policy due to unique circumstances (single/sole source, emergency). In such cases a Non-Competitive Approval Form must be completed and approved by the appropriate dean/executive director, purchasing and the Vice President College Services. Completion of the form is authorization for the purchase to proceed thus exempting it from policy requirements.