

 <p><b>OPERATING PRACTICE</b></p>	<b>Number: 2-2-08</b>	<b># of Pages: 1</b>
	<b>Originator</b>	Purchasing
	<b>Approved</b>	College Planning Committee
	<b>Effective Date</b>	June 15, 2011
<b>Procurement Process: Value-Added</b>		

**Definition:** A value-add incentive is an offer by a supplier, over and above the primary goods or services being purchased, with the intent to increase the total value received the college and/or our students.

**Scope:** The operating practice is designed to guide the college in properly requesting, evaluating and accepting valued-added incentives as part of a formal procurement process in keeping with the Broader Public Sector Procurement Directives and the existing trade agreements that the college is bound by.

**Principles:** This directive is designed to ensure that open, fair, confidential yet transparent procurement processes govern all value added communications with current or potential vendors.

**Guidelines:**

- Request for valued added incentives must be disclosed in the Request for Proposal (RFP) to ensure all potential vendors are given equal opportunity
- Detailed descriptions must be provided of acceptable value-added incentives including but not limited to:
  - Charitable donations towards scholarships & bursaries or capital campaigns;
  - Donations or loans of college approved technology, equipment or software;
  - College approved in-kind technical and/or support;
  - Student placements for Confederation College programs;
  - Sponsorship or other co-operative opportunities (as specified by the college)
- Cash (other than donations or approved sponsorship) should never be requested as a value-add incentive and, if received, should only be used to reduce the final price of the bid
- The evaluation weight for the requested valued added must not exceed 5% of the total available for any given RFP
- All valued added incentives must only be requested/discussed through the formal RFP process handled by the purchasing department (and the procurement evaluation team) to mitigate against any real or perceived conflicts of interest, breach of confidentiality or possible bid disputes.