

TO: All Department Heads

FROM: R.F. Coutu
Director, Purchasing and Contract Management

DATE: July 29, 2011

RE: BPS Directive and Approval Thresholds and Authority Schedule

Laurentian University, being part of Ontario's broader public sector, is subject to new legislation effective April 1, 2011 called the Broader Public Sector (BPS) Procurement Directive. The purpose of the Directive is to ensure that publicly funded goods and services, including construction, consulting services, and information technology, are acquired by BPS organizations through a process that is open, fair and transparent. One of the key changes in the Directive is in regard to consulting services. Under the directive, all consulting services must be competitively bid irrespective of value. A consultant is a person or entity that, under an agreement other than an employment agreement, provides expert or strategic advice and related services for consideration and decision-making.

The BPS Directives and the new approval thresholds apply to all University funds from all sources, including operating, research, capital and ancillary funds and funds held in trust.

Attached is the Approval Thresholds and Authority Schedule which is effective immediately. Information regarding the BPS Directives and new approval thresholds can also be found at www.laurentian.ca/purchasing .

Training sessions regarding the BPS Directives and the approval thresholds will be scheduled in the coming months which will provide faculty and staff more information regarding these changes. In the meantime, please contact Raymond Coutu, Director Purchasing and Contract Management at ext. 1555 or rcoutu@laurentian.ca for advice on procurement and consulting services procurement requirements.

Thank you for your co-operation on this matter.

Laurentian University Approval Thresholds and Authority Schedule (AAS)

in compliance with Ontario Ministry of Finance BPS Procurement Directive, effective April 1, 2011
Procurement of Goods, Non-Consulting Services and Construction

Competitive Procurement

Competition must be obtained for goods and services, construction, information technology and non consulting services exceeding \$10,000 per commitment in the number and form set out below

Total Purchasing Value before taxes	Means of Purchasing	Process	Approval Required
\$0 to \$2,999.99	Procurement card (P-card) petty cash only up to \$100		Budget owner
\$3,000 to \$9,999.99	Single written quotation required Electronic Purchase Requisition Purchasing Services to issue purchase order	Quote can be obtained by department or Purchasing Services	Budget owner, Finance
\$10,000 to \$49,999.99	Invitational competitive procurement (minimum of three or more suppliers are invited to submit a written quotation) Electronic Purchase Requisition Purchasing Services to issue purchase order	Quotes can be obtained by department or Purchasing Services	Budget owner, Finance, Purchasing <u>Non-competitive process must be documented and approved by an Officer on the Approval Authority Schedule in addition to the Director of Purchasing and Contract Management</u>
\$50,000 to \$99,999.99	Invitational competitive procurement (minimum of three or more suppliers are invited to submit a written quotation) Electronic Purchase Requisition Purchasing Services to issue purchase order	Purchasing Services shall manage the acquisition process through an RFQ or RFP. Tenders to be managed by Physical Plant and Planning	Budget owner, Finance, Purchasing. <u>Non-competitive process must be documented and approved by an Officer on the Approval Authority Schedule in addition to the Director of Purchasing and Contract Management</u>
\$100,000 and above	Open competitive process Electronic Purchase Requisition Purchasing Services to issue purchase order	Purchasing Services shall manage the acquisition process through an RFP. Tenders to be managed by Physical Plant and Planning. All postings will be on MERX	Budget owner, Finance, Purchasing and authorized signature from Approval Authority Schedule. <u>Non-competitive process must be documented and approved by an Officer on the Approval Authority Schedule in addition to the Director of Purchasing and Contract Management</u>
\$1,000,000 and above	Open competitive process Electronic Purchase Requisition Purchasing Services to issue purchase order	Purchasing Services shall manage the acquisition process through an RFP. Tenders to be managed by Physical Plant and Planning. All postings will be on MERX	Budget owner, Finance, Purchasing, and authorized signature from Approval Authority Schedule. <u>Non-competitive process must be documented and approved by an Officer on the Approval Authority Schedule in addition to the Director of Purchasing and Contract Management</u>

Procurement of Consulting Services

Competition must be obtained for consulting services regardless of value as set out below. Competitive thresholds for goods and services, construction, information technology and non consulting services procurement is in accordance with TABLE above:

Total Purchasing Value before taxes	Means of Purchasing	Process	Approval Required
\$0 to \$49,999.99	Invitational competitive procurement (minimum of three or more suppliers are invited to submit a written quotation)	Quotes can be obtained by department or Purchasing Services	Budget owner, Finance, Purchasing <u>Non-competitive process must be approved by the President</u>
\$50,000 to \$99,999.99	Invitational competitive procurement (minimum of three or more suppliers are invited to submit a written quotation)	Purchasing Services shall manage the acquisition process	Budget owner, Finance, Purchasing <u>Non-competitive process must be approved by the President</u>
\$100,000 to \$999,999	Open competitive process	Purchasing Services shall manage the acquisition process through an RFP. All postings will be on MERX	Budget owner, Finance, Purchasing and authorized signature from Approval Authority Schedule. <u>Non-competitive process must be approved by the President</u>
\$1,000,000 and above	Open competitive process	Purchasing Services shall manage the acquisition process through an RFP. All postings will be on MERX	Budget owner, Finance, Purchasing and authorized signature from Approval Authority Schedule. <u>Non-competitive process must be approved by the Board of Governors</u>

Approval Authority Schedule

Procurement of Good and Services (includes hiring of consultants)	Dollar Threshold	Approval Authority Committing the University	Execution Signatory
Any Good or Service	\$1 million	Board of Governors	any two of the following: -President -Vice-President, Administration - Executive Director, Financial Services -Vice-President, Academic and Provost - Director, Accounting & Budgets - Director of Purchasing and Contract Management
Any Good or Service	\$100,000-\$1 million	any two of the following: -President -Vice-President, Administration - Executive Director, Financial Services -Vice-President, Academic and Provost - Director, Accounting & Budgets - Director of Purchasing and Contract Management	any two of the following: -President -Vice-President, Administration - Executive Director, Financial Services -Vice-President, Academic and Provost - Director, Accounting & Budgets - Director of Purchasing and Contract Management
Any Good or Service	\$10,000 to \$100,000	Director of Purchasing and Contract Management	Director of Purchasing and Contract Management
Any Good or Service	\$3,000 to \$10,000	Buyer, Purchasing Department	Buyer, Purchasing Department