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1.0 Completing the Internal Requisition Form

- 1.1 The Internal Request for a Purchase Order Requisition (Internal Requisition) is the form that starts the procurement process for **all** commodities, services, construction, vehicle rental, travel and other goods and services required by the University.
- 1.2 The Internal Requisition is available on the Financial Services website under “forms” at: <http://www.unb.ca/services/financialservices/forms/index.htm>. It is also available in hard copy from Procurement Services.
- 1.3 The Internal Requisition form is to be completed with all the essential information.
- 1.3.1 Mandatory fields include:
- supplier
 - goods or services required
 - costs
 - shipping
 - account information
 - approval(s)
- 1.3.2 The “ship to” is normally a UNB individual and department name with a UNB campus address.
- 1.3.3 If it is necessary for the “ship to” address to be different from Section 3.3.2, then this must be indicated in the “particulars” area of the form.
- 1.3.4 Specify on the requisition how the order is to be handled:
Fax - Procurement Services faxes the order to the supplier. The original copy is kept on file.
- Confirming Telephone Request** - Procurement Services calls the Department/individual with the Purchase Order number and mails the original copy, indicated as “Confirming Telephone Request” to the Supplier.
- Hold Original** - Procurement Services calls department when original copy is ready to be picked up at Procurement Services.
- 1.3.5 When there is no handling indicated, the original copy is mailed to the supplier.
- 1.4 The University pays NB HST on goods and services delivered to UNB, sent within Canada. There is tax on any Canadian shipping from anywhere in Canada to New Brunswick. Tax is always shown as a separate line from cost of goods or services. The New Brunswick Harmonized Sales Tax is currently 13%.

- 1.5 Any deviation will result in delays in processing your requirements while waiting for proper information to be received.
- 1.6 **Always** keep a copy of the Internal Requisition for your records for verification purposes.

2.0 Internal Requisition Attachments

Internal requisitions may require the following supporting documentation as applicable:

- PDA and CFI accounts have forms that **must** accompany the requisition
- Quotations and descriptive literature
- Explanations for High Valued purchases
- Pro forma invoice or letter on company letterhead for prepayment requests
- A copy of the itinerary for air travel

3.0 Processing the Internal Requisition Form

- 3.1 A requisition received in Procurement Services is reviewed and evaluated as to approval routing prior to being assigned a purchase order number. Some of the criteria are: dollar value, type of account, nature of goods, etc.
- 3.2 The requisition may be forwarded to budget/research/restricted grants, computing services, or campus safety. Requisitions will also be checked for authorized signatures, equipment approvals, provincial legislation compliance, tender process, hazardous goods, breeching standing orders, etc.
- 3.3 Procurement Services makes every effort to process properly completed requisitions in a timely and accurate manner upon receipt. Under normal circumstances, Procurement Services strives to process requisitions into purchase orders within 48 hours of receipt.
- 3.4 If an immediate purchase order is required, please call Procurement Services and, after some understanding of the urgency, the situation can be resolved. Urgent orders interfere with the normal routine and cause delays through the system for other orders so please plan your orders accordingly.
- 3.5 Processing may be delayed due to budget approval, waiting for information clarity, proper approvals, lack of proper support documentation, etc.

Procurement Procedures

4.0 Types of Purchase Orders

- 4.1 REGULAR purchase orders are prepared according to information provided, completely reviewed, and forwarded to the supplier by mail, fax or telephone.
- 4.2 PRE-PAID purchase orders have a cheque attached. These are processed in the same way as a REGULAR PO but with an attached invoice or letter from the supplier indicating the prepayment amount and currency of settlement. A supplier that will not accept a purchase order must supply documentation for a cheque in the currency required.
- 4.3 STANDING purchase orders are used in instances where low-dollar volume items or services are being purchased on a repetitive basis. When issuing a Standing Order as much information as is available should be supplied. The type of materials or services should be listed, with persons authorized to order against the Standing Order, limitations by dollar amount or time frame should be stated and an estimate for annual expenditure. It is the responsibility of the department to monitor the status of the order for commitment value and expiry date, if either has to be changed.
- 4.4 Airfare orders are always processed on a Requisition. Be sure to attach a copy of the most economical choices provided by the airline and a copy of the itinerary to the requisition.

5.0 Purchase Order Changes, Cancellations, Etc.

- 5.1 No additions can be made to existing purchase orders and a new requisition must be supplied to start the process again.
- 5.2 Advise Procurement Services when a change or cancellation is made to an order.
- 5.3 If the delivery of your order exceeds the expiry date of the PO, always notify Procurement Services and the date will be adjusted to reflect the new delivery time.
- 5.4 As budget approval may be required, any change in the dollar value on a PO should be reported as soon as possible

6.0 University Customs Procedures

The University is mandated to follow regulations by the Canada Revenue Agency (CRA) when importing and exporting goods in/out side of Canada. For information on the University's contracted Customs Broker, please contact Procurement Services. Our broker can assist with all aspects of Customs activities. Procurement Services has Export documents available and a Tariff manual for reference.

6.1 Importing

When shipping goods to Canada, suppliers must supply the following:

6.1.1 Commercial Invoice - Provides a complete description of goods
- Provides true value of goods and currency type
Note: Even though goods are free, a value for Customs purposes must be shown because the University is considered a commercial enterprise.

6.1.2 NAFTA free trade certificate - provides a description of goods to match the commercial invoice.

6.1.3 Importation costs associated with a foreign shipment into Canada:

6.1.3.1 Duty - paid on the cost of goods in Canadian dollars. CRA has removed or greatly reduced duty on a majority of products. The NAFTA certificate helps to relieve any duty amount.

6.1.3.2 GST (6%) - payable on the value of goods in Canadian dollars.

6.1.3.3 Brokerage Fee - charges by an approved customs broker.

6.1.3.4 Shipping - should be included on the PO (Prepay and Add).

6.1.3.5 Freight Forwarder - form of handling shipments used by some suppliers to foreign countries.

6.2 Exporting

Exporting requirements for a shipment from Canada:

6.2.1 Completed Customs invoice

6.2.2 NAFTA certificate

Both documents are attached to the outside of the parcel and marked "Customs Papers". A duplicate set should be kept in case of loss by the carrier.

6.3 Documentation Retention

Departments are required by the Canada Revenue Agency (CRA) to retain all documentation related to imports and exports for a period of seven years.

7.0 Departmental Transfer or External Disposal of University Property

The following must be followed when disposing of UNB property:

7.1 Approval

7.1.1 Prior written approval to sell or otherwise dispose of surplus equipment or supplies must be obtained from the appropriate level of authority as assigned according to the disposal value of the surplus asset.

Disposal Value	Approval Authority
\$1,000.00 or more	VP
< \$1,000.00	Dean, Director's +, VPAC

7.1.2 In seeking such approval, the department should use the Sale/Disposal of Surplus Assets Form to identify the items which are considered surplus, approximate date of purchase or age, and the original value and expected or suggested resale value if known, and the reasons for recommending disposal at this point in time. In addition, the department should indicate the proposed sale procedure, on the understanding that competitive bids or tenders should be called where appropriate and feasible.

7.2 Internal Sale/Donation Transfer

7.2.1 Every reasonable effort should be made to determine if another University department wishes to acquire an item before it is sold to an outside party. Goods must first be advertised on campus email service as University departments have the right of first refusal for University use of the asset.

7.2.2 It is understood that other departments of the University may arrange to "purchase" surplus equipment from those departments which no longer require them, and that from time to time departments with surplus property may be prepared to donate it to other University departments which can make effective use of it. In such cases, if agreement on the terms of transfer is reached between heads of the departments concerned, there will be no need to invite bids from other possible customers.

- 7.2.3 The approval of the appropriate authority will still be required.
- 7.2.4 If the asset is transferred to another department, notification of that transfer must be submitted to Procurement Services.
- 7.3 Sale to University Employees for Personal Use
 - 7.3.1 If the asset is no longer required for University purposes, the goods must be advertised on campus email service as available for purchase by University faculty/staff on a first-come, first-serve basis.
 - 7.3.2 The Asset Tag is to be removed from any equipment and the Asset Disposal Form completed and returned to Procurement Services.
 - 7.3.3 Should no responses be received from University faculty/staff, goods are then subject to sale to anyone on an “as is where is” basis.
- 7.4 Terms of Sale
 - 7.4.1 Departments should ensure that items are sold "as is" without other warranty by the University. If any other commitment is given to the purchaser, the department selling the equipment will be held responsible for the costs involved.
 - 7.4.2 The name of the manufacturer and any serial number, if available, should appear on the bill of sale.
 - 7.4.3 The University is not required to charge/collect HST on the sale of used goods.
 - 7.4.4 As far as is reasonably possible, payment should be made by cheque, payable to the University of New Brunswick.
- 7.5 Proceeds from Sale
 - 7.5.1 Proceeds from the sale of surplus items must be deposited with Financial Services, for credit to the appropriate departmental account. Unless the head of the department requests otherwise, the proceeds will be credited to the department for which the items were originally acquired. The same department will also be responsible for meeting the disposal costs, if any (e.g. cost of advertising goods for sale).

- 7.5.2 Proceeds from the sale of items purchased with research funds must be credited to the research account from which they were paid, or another research account if the original is no longer available. In any case, the proceeds must be reinvested in research.

7.6 Update of Accounting and Insurance Records

- 7.6.1 Following the disposal, an itemized list of the items disposed of should be forwarded to the attention of the Procurement Manager, Financial Services. The list should indicate the proceeds of disposal, if any, and the account(s) credited with the proceeds of disposal.
- 7.6.2 If an item disposed of was identified as a fixed asset at the time of purchase (e.g. If the item was affixed with a University asset ID tag), the Asset tag should be removed prior to sale, and the asset ID number should be noted on the itemized list. It is preferable to affix the removed Asset tag to the Sale/Disposal of Surplus Assets Form.
- 7.6.3 The information to be provided on this list is necessary in order to ensure that the University's accounting records and insurance records are updated to reflect the disposal.
- 7.6.4 The Director of Risk Management must be notified of disposals by Procurement Services to ensure insurance coverage is discontinued on the disposed asset, or an insurance claim is initiated in cases of lost or damaged assets.

8.0 Contracted Commodities

Interuniversity Services Inc. (ISI) is an organization to which 17 Atlantic universities and community colleges belong and combine their requirements for tenders to obtain maximum savings in group purchasing of different commodities. Because the University is a member of ISI, the University participates in a number of ISI contracts for different commodities. To determine if an item or service you require is on the list of products and services already covered by ISI agreements, please contact Procurement Services.

9.0 Interpretation

Questions about the interpretation of these procedures, or their application to specific cases, should be directed to the Manager, Procurement Services.