Competitive Bid Exception Procedure

Office of Administrative Responsibility: Supply Management Services

Approver: Associate Vice-President (Finance & Supply Management Services)

Scope: Compliance with this university policy/procedure extends to all Academic Staff and Colleagues and Support Staff as outlined and defined in Recruitment Policy (Appendix A and Appendix B).

Contact for questions about this procedure: SMS Customer Service
780-492-4668
customerservice@sms.ualberta.ca

Overview

The competitive bid process ensures that the University receives the best overall value for the purchase of goods and services. An exception is not intended to avoid competition between Suppliers or to discriminate against Suppliers in any way, however situations may arise where the opportunity to solicit competitive bids does not exist and would be classified as a Competitive Bid Exception (CBE).

Purpose

The purpose of the procedure is to specify:

- the circumstances in which it may be appropriate to forego the competitive bid process and proceed directly to acquisition with a single or sole source supplier; and

- the process to be followed when requesting a CBE.

PROCEDURE

1. IDENTIFY SINGLE OR SOLE SOURCE SUPPLY.

When requesting an exception to the Competitive Bid Procedure the end user must:

a. determine whether the supply is single source or sole source; and

b. demonstrate that only one supplier is able to meet the requirements of a procurement.

2. COMPLETION OF PURCHASE REQUISITION

a. Submit a Purchase Requisition clearly indicating the goods and services to be purchased, the estimated purchase price and ensure that the supplier’s legal name has been used. The Purchase Requisition is the authorization to
initiate the procurement process; it enables a Purchase Order or Agreement to be generated and provides the account to be entered into the financial accounting system.

3. COMPLETION OF CBE

Complete *CBE Exception Form* clearly stating the reasons for single or sole source acquisition. The reasons for single or sole source acquisition comply with the applicable trade agreements. One-over-one review and approval is required on *CBE form*.

4. CBE REVIEW

a. Forward the Purchase Requisition with the CBE form to SMS. All exception requests will be reviewed and evaluated by SMS. If the CBE request is approved, SMS will proceed with the acquisition of the goods and services from the single or sole source of supply.

b. If the CBE request is not approved, SMS, in consultation with the University end user will initiate a competitive bid process in accordance with the *Competitive Bid Procedure*.

5. CHANGING A PURCHASE ORDER

Any revisions/corrections to the Purchase Order must be done by way of a *Change Order Draft*.

6. PURCHASING AND SIGNING AUTHORITY

Requisitions must be requested only by authorized University employees in accordance with the *Signing Authority and Delegation of Signing Authority Policy – All Funds and the Signing Authority and Approval Procedure*.

**DEFINITIONS**

<table>
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<tr>
<th>Single Source</th>
<th>An award for supply of goods or services that can be purchased from only one supplier because of its specialized or unique characteristics.</th>
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<tr>
<td>Sole Source</td>
<td>Only one source that possesses a unique product having a singular characteristic or performance capability.</td>
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**FORMS**

Should a link fail, please contact uappol@ualberta.ca.

- *Change Order Draft*
- *Competitive Bid Exception Request*

**RELATED LINKS**

Should a link fail, please contact uappol@ualberta.ca.

- *Competitive Bid Procedure* (UAPPOL)
- *Competitive Bid Thresholds* (University of Alberta)
- *Signing Authority and Approval Procedure* (UAPPOL)
Signing Authority and Delegation of Signing Authority Policy – All Funds (UAPPOL)