

Approval Date: December 4, 2009 Effective Date: April 1, 2010
 Most Recent Editorial Date: August 8, 2012

Parent Policy: [Supply of Goods and Services Policy](#)

Contracting for Project Management, Design, Maintenance and Trade Services related to Facility Construction Procedure

Office of Administrative Responsibility:	Supply Management Services
Approver:	Associate Vice-President (Finance and Supply Management Services)
Scope:	Compliance with this University procedure extends to the Office of the Vice President (Facilities and Operations).

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

Supply Management Services (SMS) oversees the acquisition of goods and services on behalf of the University. The role of SMS is one of a consultative nature assisting University units with the procurement of required goods and services while ensuring that all applicable University policies and procedures, sponsor terms and conditions as well as all applicable federal and provincial legislation and regulations governing the acquisition of goods and services are adhered to.

SMS is the delegated authority to enter into agreements for services as approved by The Board of Governors of the University of Alberta through the *Contract Review and Signing Authority Policy*. Specific authority to acquire services has been extended to campus through certain procurement methods and in compliance with the established University of Alberta purchasing procedures (eg. *Low Dollar Purchase (LDP) System Procedure*).

Purpose

The University Purchase Order or Agreement issued by SMS ensures that the Contractor is informed of its obligations including the services to be provided, schedule for services, WCB coverage, insurance requirements, intellectual property and copyright requirements and other terms and conditions of the contract.

This procedure also provides standard criteria to use in confirming a **contract for services** exists and is consistent with industry standards and approaches for services of this nature.

PROCEDURE

1. Submit a completed Purchase Requisition to SMS. 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. The Purchase Requisition with a clearly defined scope of work, term of project and estimated fees should be provided. Any associated components (eg. Contractor proposal or quotes) must be included with the Purchase Requisition.

2. Review and sign the *Standard Contract Criteria* form for the contract for services and attach to the Purchase Requisition.
3. Proposed services in excess of the *Competitive Bid Thresholds* are subject to a competitive bid process as outlined in the *Competitive Bid Procedure*.
4. The details provided with the Purchase Requisition will be transferred to a Purchase Order or Agreement and issued to the Contractor. SMS in consultation with the individual University unit will develop terms and conditions related to the work with consideration to specific complexities and risks.
5. A fully authorized Purchase Order or Agreement must be in place prior to commencement of any work or services. In order for an Agreement to be considered fully authorized, the agreement must be signed by an authorized representative in SMS and the Contractor.
6. Certain transactions may fall under the non-resident tax legislation and may be subject to withholding of tax. In accordance with the provisions of the Income Tax Act (Canada), the University will withhold and submit 15% of the fees charged on each invoice for services performed in Canada by the non-resident unless the Contractor obtains from the Canada Revenue Agency a waiver or reduction in the amount to be withheld.
7. All revisions or changes to Purchase Orders or Agreements must be completed by way of *Change Order Draft*. The completed Change Order Draft must be forwarded to SMS for amendment to the existing agreement.
8. Purchase Requisitions must be requested only by authorized University employees in accordance with the *University Signing Authority and Delegation of Signing Authority Policy – All Funds and the Signing Authority and Approval Procedure*.

DEFINITIONS

Any definitions listed in the following table apply to this document only with no implied or intended institution-wide use. [[▲Top](#)]

Contract for Services	A contract for services is an agreement by which a Contractor undertakes to carry out physical or intellectual work or provide a service to the University for a stipulated fee. The Contractor is free to choose the means of performing the work and no relationship of subordination exists between the Contractor and the University in respect of such performance.
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FORMS

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[Change Order Draft](#)

[Standard Contract Criteria](#)

RELATED LINKS

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[Competitive Bid Procedure](#) (UAPPOL)

[Competitive Bid Thresholds](#) (University of Alberta)

[Contract Review and Signing Authority Policy](#) (UAPPOL)



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[Signing Authority and Approval Procedure](#) (UAPPOL)

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