Customs Import Procedure

**Office of Administrative Responsibility:** Supply Management Services

**Approver:** Director, 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).

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**Contact for questions about this procedure:**

SMS Customer Service
780-492-4668
customerservice@sms.ualberta.ca

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**Overview**

The University of Alberta provides a central Customs service for all University faculties, departments and units. Customs Services is responsible for establishing and maintaining the University of Alberta’s Customs Compliance Plan in an effort to ensure all University import transactions are compliant with applicable Canadian legislation.

The roles of Customs Services are to provide advice and guidance to all individuals or departments bringing goods into Canada from foreign destinations and to coordinate the accurate and timely clearance of goods entering Canada.

**Purpose**

- Ensure import permits for goods controlled or regulated by various Canadian government agencies are in the possession of the University of Alberta

- Provide information and guidance to University faculties, departments and researchers as well as University suppliers regarding documentary requirements necessary for Canada Customs clearance

- Achieve accurate and timely release of University shipments from Canada Border Services Agency (CBSA) through our customs broker

- Minimize and eliminate any potential areas of non-compliance and penalties within the Administrative Monetary Penalty System (AMPS) and other government agency regulations.

- Ensure that only business related shipments are declared to CBSA on the University of Alberta’s import record.

**PROCEDURE**

When purchasing or acquiring goods from a location outside of Canada, the following steps should be followed:

1. IMPORT PERMITS
a. Determine if the goods to be imported require an import permit. (see *Customs Permit Procedure*)

b. Apply to the appropriate Canadian government agency issuing import permits

c. Once the import permit has been issued and obtained, provide a copy to Customs Services

2. PURCHASE OF GOODS FROM A FOREIGN SUPPLIER

a. Determine the appropriate method of purchasing. Details can be found in *Corporate Purchasing Card System Procedure, Low Dollar Purchase (LDP) System Procedure, Preferred Supplier Agreement Procedure, Purchase Order System Procedure.*

i. Purchase Requisition/Purchase Order

ii. Corporate Credit Card

iii. Low Dollar Purchase System

iv. Preferred Supplier Agreement

b. Communicate the University’s and Canada Customs’ documentary requirements to the foreign supplier

i. delivery address at the University

ii. “bill to” address (if different than the delivery address)

iii. University of Alberta’s Business / GST registration number

iv. purchase order number or speed code and account

v. itemized description of goods ordered including catalog, model or part numbers

vi. country of manufacture of each item

vii. Harmonized System (HS) tariff code

viii. value and currency of each item

ix. separate item lines showing freight, insurance & handling costs and educational or volume discounts

x. reason for the transaction (i.e. sale, demo, return of repair)

xi. special handling requirements (i.e. perishable items on dry ice)

xii. name of the University of Alberta’s Customs Broker

c. Provide the foreign supplier with a copy of the import permit (if applicable)

d. Request the foreign supplier email a pre-alert to the University’s Customs Broker. This will include a copy of the payable invoice and shipment documents. A Pre-alert email is a written indication for our customs broker that a shipment of goods entering Canada is the responsibility of the University of Alberta. To expedite customs clearance and avoid accounting delays, these documents must also be complete and accompany all goods entering Canada for the University, whether the goods are purchased or are supplied at no-charge. Shipments without these documents attached will be subject to delays.
while our broker verifies ownership and accountability.

NOTE: Shipments prominently displaying a University Purchase Order number, as assigned by SMS Supply Operations, (i.e. 0000091111) do not require this form. This formal PO number is sufficient indication for our broker that they may clear the goods on behalf of the University.

i. Instructions

1. Ordering Individual: Complete this form (except supplier order/ref, courier/waybill) and provide to foreign supplier at time of placing an order or requesting a foreign no-charge shipment.

2. Foreign Supplier: Fill in the order/reference number, courier name and waybill number at the time of shipping and enclose a copy with the customs documents or email directly to the broker named on the form.

e. Maintain a record of the completed order placed

3. CANADA CUSTOMS REPORTING/RELEASE

a. The courier or freight company carrying shipments to the University of Alberta provide copies of accompanying customs documents to the customs agent (broker) acting on behalf of the University

b. Customs broker obtains release from “Other Government Departments” as required

c. Customs broker then submits request for release from Canada Border Services Agency (CBSA)

i. The broker may require additional information to obtain release of goods and will contact Customs Services

ii. If necessary, Customs Services will contact the end-using individual who placed the order for additional information or clarification regarding the goods

d. Duties and taxes are remitted by the broker on the University’s behalf to Canada Revenue Agency

i. The broker invoices the University of Alberta for duty and taxes paid on our behalf plus brokerage charges and submits the invoices to Customs Services

ii. If a Purchase Order Number or speed code/acct is not referenced on the foreign supplier’s documents, Customs Services will contact the ordering department for accounting information

e. After CBSA release is obtained, the broker notifies the courier or freight company of the release authorization

f. The courier or freight company delivers the shipment to Supply Management Services Central Receiving

4. RECEVING INTERNATIONAL SHIPMENTS

a. International shipments are delivered by the courier or freight companies to Supply Management Services, Central Receiving

b. Central Receiving will inspect shipments for external damage to cartons and note damage on delivery documents (refer to Damage Claims Procedure)

c. Central Receiving will verify that shipments received are destined for University of Alberta locations and are business related shipments

i. non - University of Alberta locations are returned to the courier company for delivery to the appropriate address
ii. non-business related, or personal shipments are returned to the courier company for delivery to the individual’s residence or alternate address

d. Upon receipt of the shipment, the individual within the ordering department or faculty should verify the contents of the shipment against the packing slip enclosed in the shipment by the foreign supplier

i. packing slip should be matched to the order document, signed and dated by the confirming individual that all contents are accounted for and are received in good order

e. If goods are not the correct items ordered, are not the quantity ordered, are damaged or of inferior quality, contact Customs Services immediately to amend the declaration to CBSA

5. DOCUMENT RETENTION

a. Documents to be retained by the Faculty, Department or Unit:

i. Import permit (if applicable)

ii. Order document (i.e. Purchase Order, Low Dollar Purchase log sheet)

iii. Commercial Invoice or customs documents accompanying the shipment

iv. Packing Slip

v. Proof of payment for the goods to the foreign supplier

b. Documents to be retained centrally by Customs Services:

i. Customs Accounting Entry documents (Form B3)

ii. Commercial Invoice or customs documents provided by the broker

iii. Broker’s invoice and proof of payment

c. It is strongly recommended that supporting documents be filed centrally within the Department or Unit by the foreign supplier name by the date of release from CBSA for ease of review and audit. Documents must be retained for 7 years.

6. CANADA POST E14’S

Low value goods shipped from international locations via the mail are reported to CBSA by Canada Post on a Form E14. These shipments are delivered to the University on a “Collect On Delivery” (COD) basis. The University of Alberta’s “orange card” system allows an individual or department the opportunity to refuse unsolicited mail shipments where GST and administrative fees are payable.

a. E14-COD items arrive centrally to SMS Distribution Operations

b. An orange notice card is prepared by Distribution and sent to the individual or department indicated as the addressee on the package. The orange card provides the following information:

i. exporter’s name

ii. name of individual recipient or department at the University of Alberta
iii. description of the goods

iv. total value of GST and administrative (brokerage) fees owing

c. Upon reviewing the details of the shipment and the associated charges, the recipient has three options available:

i. To accept the item: fill in the appropriate speed code and account

ii. To refuse the item: check off the box “Parcel Refused – Return To Sender”

iii. To pay cash for a personal item: check off the box “Send to Garneau Postal Outlet”

d. The recipient should sign the card and return it via campus mail to Distribution Operations

e. Distribution will then forward the parcel to the recipient's department, return it to the sender, or forward it to the postal outlet as instructed by the recipient

DEFINITIONS

There are no definitions for this Procedure.

FORMS

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

RELATED LINKS

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

Administrative Monetary Penalty System Program (AMPS) (Government of Canada)

Canada Border Services Agency (CBSA) (Government of Canada)