Message from the Director, Procurement Services  
Supplier Quote Solicitation Process  
October 2009

The Procurement Services Bulletin of August 24, 2009 introduced the internal community to a more comprehensive and interactive Procurement Services Web Site. As part of our on-going commitment to reduce the administrative burden on our faculty and staff as it relates to the acquisition of goods and services, this bulletin addresses a new process, form and instructions related to obtaining supplier quotations.

Beginning October 15, 2009, Procurement Services will only accept this new Supplier Quote Solicitation and supporting documentation for purchases required by the internal community.

Background

The community is reminded of the principles of public procurement to which York University is committed and which are reflected in the institutional procurement policy and procedure. Compliance to these principles is mandatory for all involved in the procurement process and this compliance must be reflected in all our procurement activity. Key demonstrable requirements are related to fairness to suppliers, fair market value of purchases, and transparency to and for all. To this end, we have developed a standardized process for soliciting supplier quotations for purchases anticipated not to exceed a total estimated value of $50,000 (exclusive of taxes). The process and required documentation are detailed below.

Supplier Quote Solicitation

The purpose of the new Supplier Quote Solicitation process and documentation is to ensure openness, fairness and transparency to suppliers, as well as ensure consistent application of the University Procurement of Goods and Services Policy and Procedure. Attached to this bulletin are:

- Standard Operating Procedure related to the process of soliciting supplier quotations
- Instructions for completing the Supplier Quote Solicitation

The Process: Standard Operating Procedure

Internal community members purchasing goods or services in excess of $10,000 and up to a maximum total anticipated value of $50,000 are permitted to make these purchases directly from suppliers provided a minimum of three (3) supplier quotations have been solicited as evidence of competition and fair market value. In order to solicit supplier quotations, the new Supplier Quote Solicitation form must be provided to each supplier invited to submit a quote. All quotes received and the Supplier Quote Solicitations must be attached to the purchasing requisition from which Procurement Services will issue a Purchase Order to the selected supplier. It is recommended that more than three (3) written quotations be solicited in order to ensure receipt of the 3 minimum required.

Completing the Supplier Quote Solicitation

Instructions for completing the form are available from the Procurement Services Web site, and are attached to this bulletin for quick reference. Please take a few moments to familiarize yourself with how to use the form and refer any questions to Procurement Services to avoid processing delays. You will notice that the form can be prepared electronically, that is, the form is "fillable" for end users only; however, once completed, the form must be printed and either emailed or faxed to each supplier.

To ensure maximum value for purchases made, it is important that suppliers are provided with all the relevant criteria. The Supplier Quote Solicitation has a number of fields that can be used to provide this important information to suppliers and includes options for site visits, insurance requirements, expected delivery dates (if applicable) and any other special consideration sought as part of the purchase.
To ensure fair treatment of all suppliers, it is important to state the closing date and time by which all quotations must be received. Suppliers who do not submit a response by the stated date/time on the form should not be considered.

As always, you are welcome to discuss your procurement needs or concerns directly with me and I can be reached at rfaverin@yorku.ca or at extension 30545.

Renata Faverin
Director, Procurement Services
Standard Operating Procedure: Supplier Quote Solicitation

Approval Authority: Director, Procurement Services

Effective Date: August 24, 2009

Application

This SOP is subject to the University Policy on the Procurement of Goods and Services.

Definitions

Quote Solicitation: a method used by internal community members to obtain pricing for acquisitions of goods and/or services under $50,000.

Process

The end user determines the specifications, product, quantity, etc., and uses a Supplier Quote Solicitation to obtain pricing information from selected suppliers. Quotes must be obtained from at least three (3) different suppliers, must be solicited using the same method, and by providing each supplier with the exact same information.


Internal community members will complete the required fields in the Supplier Quote Solicitation and send one form to each supplier. Suppliers complete the Supplier Quote Solicitation (with any additional documentation) and return it to the end user who, in turn, determines whether to accept one of the quotes and place an order with the selected supplier (typically the one that offers the lowest price). If the vendor providing the lowest price is not selected, the end user must provide a rationale (e.g. could not meet the specified delivery date).

End users are not obligated to make a purchase resulting from a quote solicitation.

If making a purchase, the end user attaches all supplier responses, and the Supplier Quote Solicitation to the Purchasing Requisition, and submits the entire package to Procurement Services for Purchase Order issuance. A commitment is not to be made to the supplier until the Purchase Order is issued.

Procurement Services will typically fax a Purchase Order within five (5) business days unless more information is required from the end user.

For information on how to complete a Purchasing Requisition, please refer to the On-Line Tutorials section on the Procurement Services web site.
COMPLETING A SUPPLIER QUOTE SOLICITATION

The Supplier Quote Solicitation is to be used by internal community members to obtain written pricing (and other requirements) for acquisitions of goods and services estimated not to exceed $50,000 (exclusive of taxes). In determining overall total cost, it is important to include annual maintenance fees, warranties, or other contractual obligations that may be incurred over a period of time.

For purchases over $10,000, a minimum of three (3) written quotations must accompany the Purchasing Requisition. It is recommended that more than three (3) written quotations be solicited in order to ensure receipt of the 3 minimum required.

Tips to Consider

Take maximum care in providing the supplier with all relevant information when asking for a quotation. This will prevent the supplier from making any incorrect assumptions. To ensure suppliers provide the highest quality response, end users should determine requirements carefully and comprehensively. To assist with this process, please review the following tips:

When soliciting any type of quote consider the following:
- Are references required?
- Has F.O.B. point been determined?
- Are freight and insurance included or at additional cost?
- Have customs duty and brokerage fees been included?
- Have discount payment terms been requested?
- If currency other than Canadian funds is acceptable, is a forward foreign exchange contract required?
- If travel required for out of country supplier to perform installation and/or training, have Non Resident Withholding Tax requirements been considered?
- Do you need to have a meeting with the suppliers in order for them to provide a quote (e.g. examine a construction site)? If yes, provide details of date, time and location.
- Is a Bid Form required (Renovations and Alterations only)? If yes, ensure the Bid Form is attached to this document when sending to suppliers.
- Do you require samples (e.g. previous work)? If yes, provide details of the specific sample type required.
- Would you like additional literature on the product or service? If yes, provide details of the literature (e.g. company profile, safety data sheets, etc.).

When soliciting quotes for equipment consider the following:
- If equipment, do you know what applicable standards it should meet?
- Is there a requirement for future parts availability?
- Is installation required; included or additional cost?
- Is training required; included or additional cost?
- Is travel required to perform installation and/or training; included or additional cost?
- If equipment, do you need extended warranty pricing?

When soliciting quotes for computer software consider the following:
- Is a maintenance contract required?
- If software (make sure you ask for assistance from your local IT group), are upgrades required; included or additional cost?
- If software, are there license or user fees?
- Is equipment or software documentation required; included or additional cost?
- Is proof of performance compliance required?
When soliciting quotes for goods/services associated with research funding, consider the following:

- Has the regular educational discount been identified?
- Are in-kind contributions, as defined by CFI, required?
- Are tax costs accurately calculated for grant application?
- Will quotation validity period survive the grant application process or other timing limitations?

Completing the Form

The Supplier Quote Solicitation is a fillable form for end users only and is sent to suppliers either by email (must be printed and scanned as a fillable form can only be saved if you have the correct Adobe software) or by fax. Instructions on completing this three (3) page document are outlined in the following pages.

Additional assistance in completing this form is available from Procurement Services.
SUPPLIER QUOTE SOLICITATION

INVITATION TO SUPPLIER

GOOD OR SERVICE REQUIREMENT

(GENERAL DESCRIPTION ONLY. DETAILS BELOW)

<table>
<thead>
<tr>
<th>Company</th>
<th>Address</th>
<th>Invitee Name</th>
<th>Facsimile Email</th>
<th>Yes/No</th>
<th>Submit To:</th>
</tr>
</thead>
</table>

Step 1: Input the complete & formal company information for each supplier you are inviting to quote.

Step 2: Provide a short description of the required good or service.

Step 3: Issue Date: Date sent to suppliers.

Step 4: Closing Date & Time by which the response must be received by the end user.

Step 5: Enter the name & contact information of the end user who will receive the response.

Step 6: Indicate how the quote must be returned (e.g., fax, email, in person) and where it should be delivered.

Step 7: In the “Required Items” section, the end user must decide what items apply to the acquisition. Refer to the “Tips” section for items that need to be considered.

Suppliers who do not wish to provide a quote must complete the “No Quotation” section and return this document to the end user.

NOTE: “No Quotation” response is not a valid quote and does not count in the minimum 3 quote requirement. However, all responses must be attached to the Purchasing Requisition and will be used for vendor analysis.

GENERAL INSTRUCTIONS & CONDITIONS

1. The Quotation must be signed by an authorized agent of the Supplier or it will be rejected.
2. Late Quotations will be rejected; no exceptions.
3. Prices will be considered in Canadian Funds, unless otherwise specified by the University.
4. If you do not wish to submit a Quotation, please indicate in the “No Quotation” section the reason for your decision and return to the Contact.
5. Where a “brand name” is indicated in the Description of Substitution, it shall be considered under the terms “or equivalent” appears beside the “brand name.”
6. York University reserves the right to award a contract “in whole or in part.” Acceptance of a Quotation shall be by Purchase Order.
7. York University reserves the right to reject any or all Quotations, or to accept any Quotation should it be deemed in the best interest of the University.
8. All equipment must meet applicable standards.

REQUIRED ITEMS

<table>
<thead>
<tr>
<th>Item</th>
<th>Yes/No</th>
<th>Details (no required)</th>
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<tbody>
<tr>
<td>1.</td>
<td></td>
<td>Pre-Quote Meeting</td>
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<td>2.</td>
<td></td>
<td>Bid Form</td>
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<td>3.</td>
<td></td>
<td>Samples</td>
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<td>4.</td>
<td></td>
<td>Literature</td>
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<td>5.</td>
<td></td>
<td>WSIB Upon Award</td>
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<tr>
<td>6.</td>
<td></td>
<td>Certificate of Insurance Upon Award</td>
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</tbody>
</table>

NO QUOTATION

<table>
<thead>
<tr>
<th>Reason</th>
<th>Yes/No</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Company does not provide the good or service</td>
<td>Yes/No</td>
<td>Not able to meet the quantity requirements</td>
</tr>
<tr>
<td>Not able to meet the delivery/completion date</td>
<td>Yes/No</td>
<td>Not able to quote competitively</td>
</tr>
<tr>
<td>Not permitted to sell direct to end-user</td>
<td>Yes/No</td>
<td>Licensing restrictions</td>
</tr>
<tr>
<td>Other (please specify)</td>
<td>Yes/No</td>
<td></td>
</tr>
</tbody>
</table>

FUTURE REQUESTS FOR QUOTATION

We wish to be invited to participate in future quote solicitations for this good or service category.

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NOTE: WSIB and insurance certificates are required by the University. Suppliers may be asked for proof prior to award, or upon award. In either case, state when these certificates are required.

Suppliers complete this area to inform the end user that they wish to be invited for future quote opportunities.
**Step 8**
End user completes the quantity, unit of measure and description sections of the Quote section.
If you require warranty, or any other information (e.g. training) in addition to price, use this section to ask for additional items.

**Step 9**
Guaranteed Delivery is provided by the supplier and may be a determining factor in the selection.
Completed by the end user. Free on Board should be the final destination. This ensures that ownership of the goods remain with the supplier until it reaches York and the supplier is responsible while in transit.

**Step 10**
End user to specify how long the price provided by the supplier needs to be held. Typically 30 to 60 days. Research acquisitions could be substantially longer.

<table>
<thead>
<tr>
<th>Quantity</th>
<th>Unit</th>
<th>Description</th>
<th>Unit Price</th>
<th>Extended Amount</th>
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**Additional Information:**
- Guaranteed delivery (after receipt of order)
- Free on Board (FOB)
- Supplier Quote Number

**Authorised Agent's Name:**
(please print/type)

**Acknowledgement**
That the “authorized agent” acknowledges that the Supplier understands the instructions and conditions of this solicitation and hereby offers to supply the goods &/or services as per this Quote; and for greater certainty the “authorized agent” has the authority to submit this Quote on behalf of the Supplier.
SUPPLIER QUOTE SOLICITATION

This is not an order.

Instructions for suppliers on how to complete the form are available at:
http://www.yorku.ca/finance/service/procurement/

SPECIAL PROVISIONS

Step 11
This section is completed by the end user to provide additional information required for the supplier to submit a high quality response. The supplier should be made aware of any special considerations in order to provide the best possible value for the purchase.

* Examples of some of the provisions are detailed below.

NOTE
End users completing this form for research acquisitions need to structure their quotes requesting a breakdown of the quote to include the information outlined in the "For CFI Only".

* Special Provisions to Consider

1) Other purchase incentives/discounts, e.g. early order discount, discount/ rebate offered by manufacturer, etc. Ask how these will be applied to the order e.g. included in the unit price quoted, against the total order price before or after taxes.
2) Special considerations including service requirements, delivery considerations and quality are all important to the final acquisition decision.
3) Manufacturer Guarantee information, e.g. conditions for a money back guarantee.
4) Standard and/or Extended Warranty information, whether stated on the quote solicitation form or attached to their response. Warranties are very important, as are other remedies, should the items purchased not meet expectations. These should be discussed with, and requested from, the supplier.

FOR CFI ONLY

The acquisition of the equipment and/or services outlined below is dependent on external funding through the Canada Foundation for Innovation (CFI) (see website: www.innovatecanada.com). Suppliers must consider the following factors when responding to this Quote Solicitation:

* The total award by CFI is positively affected by matching funds from other sources, by securing "in-kind" contributions such as donations of equipment, discounts above regular educational discount, etc.
* The CFI approval process may extend to as long as eighteen (18) months, which will affect the issuance of any Purchase Order resulting from this Quote Solicitation.

<table>
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<tr>
<th>Item</th>
<th>Qty</th>
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<th>Description</th>
<th>Unit Price (GST/STT OUT)</th>
<th>Total (GST/STT OUT)</th>
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<td>Retail Price</td>
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<td>Educational Discount or Educational Price</td>
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<td>CFI In-kind Contribution</td>
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<td>Net Price</td>
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