



THE UNIVERSITY OF WINNIPEG

A Guide to Contracting Services at the University of Winnipeg

So, you want to enter into a contract for a Service to be provided to the University of Winnipeg? Here are some helpful steps to ensure that proper processes are followed.

What is a Contract?

- A Contract is an agreement between two parties to cover the provision of a performance of a service by a vendor (the Contractor), to the University of Winnipeg (the Customer), and this agreement details the type of service(s) to be performed, the term (length of time) of the agreement, and the payment details for the provision of the service - as services are received or, in some cases, prepaid to the vendor for services yet to be performed.
- At the University of Winnipeg, we normally record contracts on our financial system by issuing a Purchase Order. This purchase order may also have accompanying contractual documents that detail the services offered, etc.
- Services would include Software-as-a-Service (SaaS) and Infrastructure-as-a-Service (IaaS)

How do I enter into a contract?

- Before entering into a contract, you should determine if a Business Case is needed that can be supported and approved for the service. You would prepare the Business Case and submit it to the appropriate approvals area within your department which oversees your budget (see Business Case Guideline in Appendix A). For contracts over \$25,000, a [Purchase/Contract Authorization Request](#) form will also need to be completed.
- Once approval has been given, the specifications/scope of the requirement(s) are defined and an appropriate vendor is selected to provide the service - keeping in mind that the normal purchasing guidelines for competitive vendor selection should

be followed. See the [Purchasing Policy Procedures](#) on the Purchasing Services website for guidance.

- If the contract involves the purchase of Information Technology goods and services (i.e. software), a review of the Business Case (and supporting documentation) by the Information Security Working Group (ISWG) is required. A request for review by the ISWG is initiated by emailing iswg@uwinnipeg.ca.

Contracts for Service(s) with a Company

- If the contract is with a company, a [purchase requisition](#) should be completed with the proposed contractual agreement attached, and the package submitted to the Purchasing Services for review.
- Contracts for Services that are being performed and completed within the current fiscal budget year should follow the guidelines for signing authority commitment to budget funding outlined on the Purchase Requisition.
- Contracts for Services over \$5,000 that will extend across more than one budget year will be submitted to the Vice President, Finance and Administration for review and subsequent approval.
- Purchasing Services will forward any external contracts from a Vendor to the Office of the General Counsel for their review.
- After General Counsel has reviewed the contract and any recommended changes for improvement have been completed, Purchasing Services will process the Purchase Requisition and record the financial information on the financial system by issuance of a Purchase Order.

Contracts for Service(s) with an Individual

- If a Service provider is an individual, the Purchase Requisition should be accompanied by a completed **Independent Contractor Agreement**. Contact Purchasing Services for a copy of the template.
- The details for this contracted service will be forwarded to Human Resources for their review and approval, to not contravene any collective agreements that are in place.

- As with services provided by a company, any multi-year budget implications will need to be reviewed and approved by the Vice President, Finance and Administration.
- Once reviewed and approved, Purchasing Services will process the purchase requisition, recording the financial information on the financial system by issuance of a Purchase Order.

Why do I have to submit contract requests to Financial Services and Purchasing Services?

- Any requests submitted on a Purchase Requisition will be captured by issuing a Purchase Order. This records encumbrances for the proposed expenditures in the budget for the department.
- A purchase requisition that exceeds \$5000.00 will require two authorized signatures for the expense against the indicated budget department. This allows for any invoices submitted from a vendor to have one signature approval for payment of services performed.
- The encumbered amounts from the Purchase Requisition/Order process will be reduced accordingly as payments are processed. This makes the tracking of any contracts by a department much simpler, and timelier, and requires much less administration time than keeping separate spreadsheets to track contract expenses.
- Multi-year contracts that are paid for in a current budget year will have the next fiscal year expense accrued by Financial Services and are recorded and captured for the next fiscal budget year period.

Exceptions to this Process

As detailed in the [Purchasing Policy Procedures](#), there are some limited exceptions to this process:

- Professional and pre-approved services including, but not limited to Audit, Architectural (structural, mechanical, and electrical), Legal, Banking, Investment Management, and acquisition of Real Estate;
- Incident Response and remediation products and/or services.

However, departments are encouraged to follow the purchase requisition process since Vice President, Finance and Administration approvals may still be required.

Purchasing Services will review any contracts for such details as insurance, indemnification, Workers' Compensation registration, payment terms, currencies, taxes, criminal records checks (if required for people coming onto campus to perform work), Evergreen renewal clauses, and governing location for any legal issues.

Appendix A

Business Case – Outline and Format

For major purchases, departments will usually have to seek approval from appropriate Department Heads, Deans, VP's, or the Board of Regents (depending on the value). The following is a suggested format for submission for ease in procuring the requirement.

For anyone submitting a request to purchase a major piece of equipment or engage in a capital expenditure such as a renovation/construction (usually over \$25,000), a business case could follow the format of the [Capital Expenditure Authorization Form](#). This would include, but not be limited to, the following:

- Identifying the requirement and the reason for the expenditure (including the risk to the University of not proceeding with the expenditure)
- Detailing the source of funding with budget coding identified
- Identifying any ongoing operational costs over the life expectancy of the purchase

Definition of RFx's (RFP, RFQ, RFI)

When a request for a product or service is received, Purchasing Services will work with you to obtain competitive proposals via an **RFP (Request for Proposal)**, a competitive price via an **RFQ (Request for Quotation)**, or will seek further information via an **RFI (Request for Information)**. These requests will assist Purchasing Services in helping you obtain the required product/service that meets your needs and satisfies the University's procurement requirements.

Purchasing Services staff are happy to assist anyone in completing the necessary documents for purchase requests and will work to provide an understanding of any financial requirements for the procurement of goods and services.