

A presentation by
Queen's University
Financial Services

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Strategic Procurement Services

Purchasing with Research Funds

Granting Agencies Expectations



Government sponsored granting agencies have the following expectations:

- the procurement policies are adhered to,
- purchases are in compliance with all federal and provincial regulations,
- multiple quotations or competitive tendering takes place,
- in-kind included in the value of the purchase,
- accurate record keeping and documentation retention.

Research Basics



Obtain the correct number of quotations based on the value of the **equipment/service**:

- **Under \$10,000** requires a minimum of 1 quote – note: purchases using Canada Foundation for Innovation (CFI) funding requires a written request
- **Between \$10,000 and \$99,999** requires a minimum of 3 written quotes
- **Over \$100,000** contact Strategic Procurement Services to arrange a public tender
- **If a sole source is required**, complete a [P0001 form](#)

Research Purchasing



Generally speaking, procuring goods and services with **research** funds is no different than procuring goods and services with operational funds.

The purchase must adhere to the [procurement policy](#).

Research Purchasing with **CFI Funds**



Special consideration is given to purchasing with **Canada Foundation for Innovations (CFI)** funds.

The value or **Fair Market Value**
includes **In-Kind** contributions
but not educational or academic discounts
or
Cash Price + In-Kind = Fair Market Value

The role of Strategic Procurement Services (SPS) will

- assist the Principal Investigator with procurement of the required goods,
- ensure applicable university policies and procedures are adhered to,
- review terms and conditions,
- ensure the purchase adheres to applicable federal and provincial legislation,
- confirm the purchase is listed on the approved grant application,
- review in-kind eligibility,
- prepare fair market value assessment.

CFI Budgetary Quotations



When building a budget for a CFI research project, request a **Budgetary Quote** from the supplier.

When contacting a vendor, let them know:

- there is considerable time between budget approval, award of funds and placement of an order,
- competitive quotations or public tenders will take place at time of purchase.

CFI Educational Discounts



What is an Educational Discount and why is it required on all CFI quotes?

An **educational discount** is a discount offered to all educational institutions. It is considered a normal discount; therefore is not an eligible CFI in-kind contribution. All quotes must make reference to **educational discounts**. If an **educational discount** is not provided, a statement stating this should appear on the quote.

CFI In-Kind Contributions



What is an **In-Kind Contribution**?

An **in-kind contribution** is defined as eligible non-monetary resources that external eligible partners provide to eligible projects. The fair market value is the price an institution would normally be expected to pay in such circumstances, after normal and educational discounts, but prior to consideration of any special discount that may be offered as a contribution towards a CFI project.

CFI Educational Discounts / In-Kind Contributions



CFI quotations involving educational discounts or in-kind contributions must conform to the examples showing on the next slides. See Section 6.5 of the [CFI Program Guide](#) for more information.

CFI Example #1



Case A:

If the supplier has a standard educational discount, in order to document that the actual selling price on the quotation is discounted from an educational price, for every item that includes in-kind, the supplier must include:

- a) the list price,
- b) the standard educational price, and
- c) the actual selling price.

For example:

\$200,000	List Price
\$180,000	Educational Price
\$150,000	Actual Selling Price
\$30,000	In-Kind Contribution

CFI Example #2



Case B:

If the supplier does not offer an educational discount, and the price is discounted from a fair market value or best customer price, the supplier must include:

- a) the list price,
- b) the fair market value or best customer price (the CFI eligible cost),
- c) the actual selling price, and
- d) a statement that the company does not offer standard educational prices.

For example:

\$250,000	List Price
\$200,000	Fair Market Value/Best Customer Price
\$180,000	Actual Selling Price
\$20,000	In-Kind Contribution

CFI Example #3



Case C:

If the supplier does not offer an educational price, and the list price is the same as the fair market value or best customer price, the supplier must include:

- a) the list price,
- b) the actual selling price, and
- c) a statement saying the company does not offer standard educational prices, and that the list price is the same as the fair market value or best customer price.

For example:

\$125,000	List Price
\$100,000	Actual Selling Price
\$25,000	In-Kind Contribution

Purchasing Items via Campus Computer Store (CCS)

If purchasing items through the Campus Computer Store for your CFI project, please contact orderit@queensu.ca to ensure you receive a properly formatted quotation. This will ensure you receive in-kind contributions from vendors that offer them through the CCS. SPS will also require a copy of the invoice for each purchase.

How may we help you today?



Contact us:

Tel: 613-533-2626

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Email: buystuff@queensu.ca

Location: Strategic Procurement Services
207 Stuart Street,
3rd Floor, Rideau Building

Hours: Monday – Friday
Open 8:00 am – 4:00 pm

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