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Parent Policy: Supply of Goods and Services Policy

Purchase of Restricted Items Procedure

Office of Administrative Responsibility:	Finance, Procurement and Planning (Procurement and Contract Management)
Office of Accountability:	Vice-President (University Services, Operations and Finance)
Approving Authority:	Associate Vice-President (Finance, Procurement and Planning)

Purpose

In the interest of user and public safety, the purchase, use and disposal of **restricted items** is subject to provincial, federal and, in some cases, international legislation and regulations. Non-compliance may result in large fines to the University. To ensure compliance and to demonstrate its commitment to workplace and public safety, the University has established standardized procedures for the purchase of restricted items.

The Corporate Purchasing Card cannot be used to purchase restricted items.

The purpose of this procedure is to specify the requirements for the acquisition of restricted items to ensure compliance with applicable legislation, regulations and University policies and procedures and provide detailed instructions to ensure that the receipt, use and record retention is compliant with government legislation. The procedure outlines the processes to acquire restricted items. A purchase order is required for the purchase of all restricted items as outlined below.

Definitions

A definitions table as attached establishes the terms used in this policy document and any unique rules of interpretation that apply to this policy document.

Scope/Application

Compliance with this university Procedure extends to all academic, support and excluded staff, postdoctoral fellows, and academic colleagues as outlined and defined in the Recruitment Policy (Appendix A and Appendix B: Definitions and Categories); undergraduate, graduate and Continuing

Education students; emeriti; members of the Board of Governors; visitors to campus, including visiting speakers and scholars; third party contractors; and volunteers.

Procedure

Using SupplyNet, the business unit will create a Purchase Request (PR) including the description of the goods to be purchased, the quantity, the purchase price and supplier's legal name. Any associated components identified in the sections below (e.g. supplier quote, drawings, letter of approval, permits, licenses, etc.) must be attached.

See the Purchase Order Procedure for further information on creating a PR.

1. CONTROLLED SUBSTANCES

   Controlled substances are defined by Health Canada, Office of Controlled Substances (OCS) as any type of drug that the federal government has categorized as having a higher-than-average potential for abuse or addiction. Controlled substances are listed in Schedules I, II, III, IV and V of the Controlled Drugs and Substances Act (CDSA) of Canada and Part G (Controlled) and Part J (Restricted) of the Food and Drug Regulations, under the Food and Drugs Act of Canada.

   Controlled status applies to the drugs themselves, their salts and derivatives and to diagnostic or test kits containing these drugs.

   Some examples of controlled substances are:

   - narcotics (such as morphine)
   - amphetamine
   - barbiturates
   - anabolic steroids
   - benzodiazepines
   - precursor chemicals (such as ephedrine, acetone, toluene)

   Physicians, veterinarians and other researchers affiliated with universities requiring a controlled substance for research purposes which include in vitro utilization, administration to animals, or human clinical trial for special activities (e.g. testing of water quality, screening for drugs or abuse), must receive an exemption under Section 56 of the CDSA. The exception allows the individual only to possess a specified quantity of the controlled substance and to administer the controlled substance to human subjects or animals for the purpose of research.

   The Principal Investigator (PI) must complete an Application Form for an Exemption to Use a Controlled Substance for Scientific Purposes and submit the original application as directed.

   OCS issues a Letter of Authorization to the PI (PI will attach to the requisition) and notifies the supplier of the intended purchase. If the controlled substance for which a scientific exemption is being sought is not available in Canada, the OCS licensed dealership may import it from another country on behalf of the University.

The Letter of Authorization specifies the exempt activities with conditions related to:

- name and quantity of the controlled substance
- name and address of the supplier
- scope and activity and transportation
- records retention
- physical security
- reporting of loss, destruction, unused or expired substances

OCS acts as the licensed dealer and obtains an import permit on behalf of the University. OCS forwards the PO, Authorization and import permit to the foreign supplier who fills the order and ships to OCS. OCS ships to the University by courier and importation usually takes about two (2) months.

2. ETHYL ALCOHOL AND SPECIALLY DENATURED ALCOHOL

Finance, Procurement and Planning (FPP) on behalf of the University campus, maintains user registrations with Canada Revenue Agency (CRA) for both **ethyl alcohol** and specially denatured alcohol (SDA). These registrations allow for the duty-free purchase of commercial-use alcohols from authorized suppliers. FPP also maintains an Industrial Use License with the Alberta Gaming Liquor and Cannabis Commission in accordance with provincial requirements.

Shipments

Shipments to the University campus must be delivered to Central Receiving. Central receiving signs the Excise Duty Entry form (provided by the supplier) as received in good order and forwards the original to the Customs Division in FPP. The Customs Division matches the receipt to the Purchase Order and contacts the ordering department via email to confirm receipt of the alcohol.

If departments are using alcohol in off-campus locations, contact the Customs Division in FPP prior to ordering.

Storage

Alcohol supplies should be kept in secure storage within the department or lab. Misplaced or stolen alcohol does not qualify for relief of excise duties.

Inventory

Perpetual inventory records must be maintained by the department to demonstrate that all purchases of non-duty paid packaged ethyl alcohol and SDA are used for education and research in accordance with the CRA registration. Alcohol inventory control sheets are available by contacting the Customs Division.

Each drum/container of ethyl alcohol or SDA must have a corresponding inventory control sheet for the recording of each issue, as follows:

- Identify each inventory control sheet by:
    i. drum/container number and lot number of ethyl alcohol/SDA
    ii. bond (license) number
    iii. strength of proof (i.e. 95%)
    iv. type of ethyl alcohol or SDA
    v. date the drum/container was received
- Begin a new inventory control sheet for each new drum/container. For any issue, the following information must be written onto the inventory control sheet:
    i. date and quantity issued
    ii. amount issued (i.e. used, spilled)
    iii. department/individual receiving the issue
    iv. balance remaining
    v. initial of the staff member issuing the ethyl alcohol/SDA
- The inventory control sheet must be dated once the drum/container has been emptied and the amount totalled. Records are to be held in the lab for 7 years to comply with future audit requirements.

Audit and Compliance

The FPP Customs Division periodically reviews inventory control sheets against purchase orders and advises departments of any inventory discrepancies. CRA periodically reviews records for accuracy. Payment of excise taxes is required for all alcohol where records of use have not been retained.

3. RADIOISOTOPES AND SEALED SOURCES

The possession, transfer, import, export, use and storage of nuclear substances and radiation devices are regulated by the Canadian Nuclear Safety Commission (CNSC) under the Nuclear Safety and Control Act and Nuclear Substances and Radiation Devices Regulations Canada.

The most common nuclear substances used at the University of Alberta are unsealed nuclear substances (i.e. liquids containing radioisotopes). Regulations also encompass sealed sources and devices containing sealed sources such as radiation devices (i.e. liquid scintillation counters) and irradiators.

The items listed below must be approved by the Health, Safety & Environment Radiation Safety Officer prior to purchase.

- nuclear substances in both sealed and unsealed form
- any devices containing sealed sources (i.e. liquid scintillation counters)
- any amount of CNSC safeguarded materials containing uranium, plutonium and thorium which include substances that typically do not require CNSC license for an acquisition (i.e. uranyl acetate, uranyl nitrate, or thorium oxide).

Approval is provided on requisitions through SupplyNet. When creating a PR, you must choose the commodity code Radioisotope which will route the request to Radiation Safety for review and approval.

4. DESIGNATED RADIATION EQUIPMENT

Designated radiation equipment, including class 3B/4 lasers and most x-ray emitting equipment is regulated by the provincial Occupational Health and Safety Act and Code and must be approved by the Human Resources, Health, Safety and Environment (HRHSE) Radiation Safety Officer, contact hse.info@ualberta.ca. Once the equipment arrives on site it must be inspected and registered with HRHSE before it can be used. The Radiation Safety Office provides instructions on the Designated Radiation Equipment: Departments must register the equipment with HRHSE.

5. HUMAN PATHOGENS AND TOXINS

All aspects of research activity, including possession, use, import and export of human pathogens and toxins is regulated by the Public Health Agency of Canada (PHAC) under the Human Pathogens and Toxins Act of Canada. The Biosafety Division in HRHSE holds the required registration which allows University labs to conduct restricted activities with pathogens and toxins. All PIs expanding activities to include new biological materials must contact the HRHSE via hse.info@ualberta.ca to update their registration under the University's institutional federal licenses.

Regulated Biological Materials include:

- Any viable infectious microbe capable of causing disease in humans, animals or plants
- Isolated active toxins from such infectious microbes capable of causing deleterious effects in humans, animals or plants
- Any biological materials capable of harboring such infectious microbes, including human clinical samples, eukaryotic cell lines, virus-based genetic modification systems and animal, plant or soil samples from foreign sources

Regulated Biological Materials require proper documentation including import licenses, compliance letters or sanitary certificates prior to the material being shipped to or from the University of Alberta. To find out if such documentation is required for the transfer of their biological material, the PI or their designate must submit a Biotransfer Request through their group's ARISE laboratory registration system. HRHSE will use the information provided to determine the documentation required to support the transfer and will provide instructions back

to the PI or designate on how to obtain the applicable documentation. Contact hse.info@ualberta.ca for further information about the requirements.

Once required documentation has been obtained, it is to be forwarded to the ordering department of the unit who (on behalf of the PI) will enter a SupplyNet requisition attaching the applicable documentation.

Human pathogens and toxins purchased or obtained from outside of Canada require an import permit prior to ordering. Permit applications may be found on the PHAC website.

6. BIOLOGICAL PRIMARY CONTAINMENT EQUIPMENT

To ensure optimum safety performance and ease of maintenance, the HRHSE Biosafety Officer has developed standards based on federal guidelines for the proper placement of Biological Primary Containment Equipment within the University research space.

Biological Primary Containment Equipment includes:

- Biofermenters of greater than 10 liter capacity
- Biological safety cabinets, all classes, makes and models
- Centrifuges to be used to process and biological material
- Laminar flow hoods to be used with any biological material
- Any purpose built hard or soft shell aerosol containment device outfitted with High Efficiency Particulate Air (HEPA) filters

When purchasing Biological Primary Containment Equipment contact the HRHSE Biosafety Officer at hse.info@ualberta before creating a SupplyNet requisition. Include the name of the purchasing research group, the nature of the equipment to be purchased and the proposed location of the equipment. Once HRHSE has approved the request, the business unit will attach the approval to the SupplyNet requisition.

7. OTHER REGULATED CHEMICALS

The following types of chemical materials are federally or provincially regulated:

- Chemicals listed by Canadian Environmental Protection Act (CEPA) Prohibition of Certain Toxic Substances Regulation
- Chemicals listed under the various schedules of the Chemical Weapons Convention (CWC)
    i. Schedule 1 (generally prohibited)
    ii. Schedule 2 and Schedule 3 items
- A written Code of Practice under Alberta Occupational Health and Safety Code is required for the use of 10 kg or more of the following:

i. arsenic compounds

ii. asbestos

iii. benzene

iv. beryllium

v. 1.3-butadiene

vi. cadmium

vii. coal tar pitch volatiles

viii. 1,2-dibromoethane (ethylene dibromide)

ix. ethylene oxide

x. hexachlorobutadiene

xi. hydrazines

xii. hydrogen sulphide

xiii. isocyanates

xiv. lead and lead compounds

xv. methylbromide

xvi. methyl hydrazine

xvii. perchlorates

xviii. crystalline respirable silica

xix. styrene in styrene resin fabrication

xx. vinyl chloride (chloroethylene)

xxi. zinc chromate.

Prior to purchase of any of these materials departments are to notify the HRHSE Occupational Hygienist at hse.info@ualberta.ca for approval and/or advice regarding compliance and safe use of the chemical.

8. EQUIPMENT AND MATERIALS IMPACTING THE ENVIRONMENT

Prior to purchasing equipment or materials that may impact the environment departments will consult with the HRHSE at hse.info@ualberta.ca in order to determine the need for any regulatory approvals, certificates or integration strategies.

The following situations require consultation with HRHSE:

- Generation of waste that requires a tie-in to a sanitary sewer
- Generation of waste that requires special disposal
- Generation of air emissions requiring treatment prior to release (e.g. requiring a flare)
- Equipment or material processes requiring the use of large amounts of potable water

9. PRESSURE EQUIPMENT

   The manufacture, operation, repair and alteration of pressure equipment in the province of Alberta is governed by the requirements specified within the Safety Codes Act and supporting pressure equipment regulations. The Government of Alberta has appointed the Alberta Boilers Safety Association (ABSA) as the jurisdictional authority responsible for the administration of the Safety Codes Act and the Regulations covered under the Act.

10. Departments ordering pressure equipment will be subject to University approval where equipment identified below needs to comply with the Safety Codes Act and supporting pressure equipment regulations.

    - autoclaves/sterilizers/hydroclaves(including desktop and electric versions)
    - research pressure vessels
    - fermentation vessels
    - kettle cookers/steam kettles
    - air compressors
    - air dryers
    - blow down tanks
    - steam vessels
    - water heaters/water storage tanks
    - boilers/power boilers/heating plants
    - chillers
    - expansion tanks
    - de-aerators
    - flash tanks
    - glycol fill tanks
    - heat exchangers
    - pressure relief devices

- refrigerant vessels
- separators
- compressor bottles
- pressure vessel
- fire-heated pressure coil
- thermal liquid heating system
- ASME boiler and pressure vessel code rated vessels
- liquefied petroleum gas storage tanks
- pressure piping system components.

11. Submit an approval request via email to Facilities & Operations Designated Technical Services (FODTS) for purchases of Pressure Equipment (FODTS@ualberta.ca). The approval request is to identify the name of the purchasing research group, the type of equipment, the intended application as well as the proposed location for the equipment. The FODTS will review the approval request and once approved the approval email is to be attached to a SupplyNet Requisition by the initiating department.

Definitions

Any definitions listed here apply to this policy document only with no implied or intended institution-wide use.	
Restricted Items	Any substance or equipment which is controlled by any Act of Parliament in Canada or the Province of Alberta through the issuance of permits, licenses or user registrations.
Ethyl Alcohol	The substance with the chemical composition C2H5OH; also referred to as absolute alcohol, ethanol, pure alcohol, commercial or industrial alcohol.
Designated Radiation Equipment	Equipment which is regulated under the Radiation Protection Act and Regulations of Alberta and includes equipment or machinery associated with the use or operation of a radiation source, and includes the radiation source itself and any structure used to support or shield the equipment, machinery or radiation source.

Related Policy Documents (UAPPOL)

- Purchase Order Procedure
- Supply of Goods and Services Policy

Related Links

- Alberta Boilers Safety Association (ABSA)
- Application Form for an Exemption to Use a Controlled Substance for Scientific Purposes
- Canadian Environmental Protection Act (CEPA)
- Canadian Nuclear Safety Commission (CNSC)
- Chemical Weapons Convention (CWC)
- Controlled Drugs and Substances Act (Department of Justice)
- Designated Radiation Equipment: Application to Register Research Lasers
- Designated Radiation Equipment For X-ray equipment and medical lasers Application to Register
- Food and Drug Regulations (Health Canada)
- Human Pathogens and Toxins Act (Department of Justice)
- Human Resources, Health, Safety and Environment (HRHSE)
- Nuclear Safety and Control Act (Department of Justice)
- Nuclear Substances and Radiation Devices Regulations (Department of Justice)
- Office of Controlled Substances (Health Canada)
- Public Health Agency of Canada (PHAC)

For questions surrounding policy document interpretation or implementation, please contact the Office of Administrative Responsibility.

Contact for questions about this procedure: Finance, Procurement and Planning, Procurement and Contract Management: procure@ualberta.ca

For the most recent version of this document please visit https://www.ualberta.ca/policies-procedures/index.html