



SUBJECT	POLICY 101 (VENDING MACHINES ON OR IN UBC SPACE)
MEETING DATE	FEBRUARY 7, 2019

Forwarded on the Recommendation of the President

APPROVED FOR SUBMISSION

Santa J. Ono, President and Vice-Chancellor

FOR INFORMATION

Report Date	January 8, 2019
Presented By	Hubert Lai, Q.C., University Counsel Peter Smailes, Vice-President, Finance & Operations

EXECUTIVE SUMMARY

The proposed amendments to Policy 101 (the “Policy”) are intended to ensure that vending machines are installed with appropriate input and that any profit or commissions generated from the vending machines are received by the appropriate UBC unit or department. A more robust set of Procedures to the Policy is proposed to clarify: (a) the responsibilities for the acquisition and installation of vending machines; (b) the scope of which types of vending machines are covered by the Policy; and (c) that certain UBC stakeholders may be interested in promoting or restricting the inclusion of certain products in vending machines at UBC by including procedures for additional engagement with concerned UBC stakeholders. Finally, the proposed amendments update administrative unit and position titles that have changed since the last time it was revised.

Attachments:

1. A clean copy of proposed Policy 101.
2. Blacklined copy of Policy 101 showing the differences between the proposed version of Policy 101 and the current version.

A copy of the current policy is available at: <https://universitycounsel.ubc.ca/files/2010/08/policy101.pdf>

STRATEGIC CORE AREAS SUPPORTED

- People and Places**
- Research Excellence**
- Transformative Learning**
- Local / Global Engagement**

DESCRIPTION & RATIONALE The current Policy was approved in 1977 and was most recently amended in 1993. The Policy Review Committee (the “Committee”) sought input from administrative units at both campuses and determined that there is a need for better processes surrounding the approval, acquisition, and installation of vending machines. The Committee set out to update the Policy to ensure that the responsibilities for the administration and management of vending machines are subject to various approval and consultation with units and departments responsible for supply management facilities and UBC spaces to ensure that vending

machines are installed with appropriate input and that any profit or commissions generated from the vending machines are received by the appropriate UBC unit or department.

The current Policy addresses only two types of vending machines: (a) those that sell candy bars and drinks; and (b) those that sell other types of food products. Current Procedures under the Policy for the approval and installation of vending machines are limited to those machines that sell candy bars and drinks, and do not sufficiently address existing supplier contracts, safety considerations for the installation of vending machines, and the extent of involvement of UBC Student Housing and Hospitality Services (“SHHS”) in the approval of vending machines. The Policy is also silent as to what types of products may be restricted from vending machines at UBC.

The proposed amendment to the Policy expands and clarifies the scope of which types of vending machines are covered by the Policy. The definition of vending machine was expanded to include vending machines that dispense food, beverages, electronics, pharmaceutical products, photo printing, academic resources, supplies, clothing, and other consumable and non-consumable products. There is no longer a distinction between candy and drink vending machines versus vending machines that dispense other types of food. Instead, the vending machines are characterized as either those falling within the responsibility of units under the portfolio of the Vice-President, Students that are responsible for UBC student services, and all other machines installed with the approval of the Administrative Head of Unit responsible for the applicable UBC space.

The Committee has proposed a more robust set of Procedures to the Policy to clarify the responsibilities for the acquisition and installation of vending machines. The amended process clearly articulates that: (a) the permission of the relevant Administrative Head of Unit needs to be sought; (b) UBC Supply Management will determine whether a vending machine can be installed under an existing supplier contract or whether a new contract should be executed pursuant to UBC’s standard procurement process; (c) SHHS will determine whether the final determination regarding the acquisition of a vending machine rests with a unit under the Office of the Vice-President, Students or with the relevant Administrative Head of Unit; and (d) UBC Facilities need to be consulted to support the installation or removal of vending machines.

To better reflect the responsible units in the Procedures for approval of vending machines, the Committee also clarified which unit has the responsibility for the operational costs of vending machines, and which unit receives the benefits of the commissions from the vending machines.

The Committee recognized that certain UBC stakeholders may be interested in promoting or restricting the inclusion of certain products in vending machines at UBC. The amendment to the Policy includes procedures for additional engagement with respect to issues concerning vending machines and the products available in vending machines.

Finally, the proposed amendment updates administrative unit and position titles in the Policy that have changed since the last time it was revised.

BENEFITS Learning, Research, Financial, Sustainability & Reputational

The proposed amendment to the Policy will provide greater guidance to the UBC community on the administration, management, responsibility, revenue generation, and operational costs for any vending machines installed or proposed to be installed at UBC. These amendments will bring the Policy into alignment with the University's existing practices, creating a more consistent process across the two campuses and establish process whereby relevant units will ensure that machines are installed safely and in accordance with existing vending contracts.

RISKS Financial, Operational & Reputational

The current Policy is out of date with current practices with respect to vending machines on campus and without the proposed amendment to the Policy, UBC could be subject to inconsistent approval processes, breaches of current supplier contracts, and unsafe or inadequate installation practices.

SCHEDULE Implementation Timeline

Subject to any feedback from the Board of Governors, the next step will be to post the proposed amendment of the Policy on UBC's website and the UBC Bulletin for public comment by the UBC community between February 15, 2019 and April 5, 2019. The Policy Review Committee will then consider any comments received. If necessary, revisions may be made before a final recommendation is then submitted to the Board for approval at its June, 13, 2019 meeting.

CONSULTATION Relevant Units, Internal & External Constituencies

The Office of the University Counsel constituted a Policy Review Committee comprised of the following members, to consider and advise on the review of the Policy:

- Chelsea Thompson, Legal Counsel, Office of the University Counsel (Chair)
- Michael Serebriakov, Legal Counsel, Office of the University Counsel (Secretary)
- Michael Frost, Strategic Project Lead, Strategic Projects, Supply Management and Operations
- Gary Hartung, Manager, Ancillary Services, Food & Parking, Student Housing & Hospitality Services – UBC Okanagan
- James Heth, Assistant Treasurer, Contracts and Leases, Treasury
- Saavin Lidder, Undergraduate Student, Sauder School of Business
- Matthew Tan, Associate Director, Partnerships, Athletics and Recreation
- Victoria Wakefield, Purchasing Manager, Student Housing & Hospitality Services
- Janice Weigel, Superintendent, Business Services, Building Operations

 <p>The University of British Columbia Board of Governors</p>	Policy No.: 101	Approval Date: November 1977 Last Revision: [*]
	Responsible Executive: Vice-President, Finance & Operations	
Title: <p style="text-align: center;">Vending Machines on or in UBC Space</p>		
Background & Purposes: The Purpose of this Policy is to outline the administration, management, and responsibility for any Vending Machines which dispense Product to a customer for any form of consideration in or on UBC Space.		

1. General

- 1.1. This Policy and the Procedures attached to this Policy apply to all Vending Machines on or in UBC Space.
- 1.2. Vending Machines may be installed or replaced on or in UBC Space in accordance with the Procedures attached to this Policy.

2. Scope of Policy

- 2.1. This Policy and its Procedures do not apply to food prepared off campus which is sold to individuals and delivered to campus (e.g. pizza delivery services), automated teller machines that enable customers of financial institutions to perform financial transactions, photocopiers, and Products which are sold outside of a Vending Machine by UBC Members for fund raising activities.

3. Definitions

- 3.1. **“Administrative Head of Unit”** means a Director of service and/or administrative unit, centre, institute or school; a Head of an academic department or unit; a Dean; a Vice-President; a Vice-Principal; an Associate Vice-President; or any equivalent position, responsible for the UBC Space, area, or building where the Vending Machine is or will be located.

- 3.2. **“Products”** means any goods and, without limiting the generality of the definition, may include food, beverages, electronics, pharmaceutical products, photo printing, academic resources, supplies, clothing, and other consumable and non-consumable products.
- 3.3. **“Vending Machine(s)”** means any self-serve machine or kiosk which supplies Products to a customer for any form of consideration.
- 3.4. **“UBC Facilities”** means the administrative units and departments under the portfolio of The Vice-President, Finance & Operations that are responsible for UBC facilities management and building operations.
- 3.5. **“UBC Member”** means any student, faculty, or staff of UBC.
- 3.6. **“UBC SHHS”** means UBC Student Housing and Hospitality Services which is part of UBC Student Services.
- 3.7. **“UBC Space”** means all real property to which UBC has a right of possession, whether by way of ownership, lease, licence, or otherwise, except for real property owned by UBC but leased or licensed out to a third party (i.e. the J. Peter Meekison Student Centre in the University Centre, which is leased to the Students’ Union of UBC Okanagan, and the AMS Student Nest, which is leased to the UBC Alma Mater Society) which are not included in the definition of UBC Space.
- 3.8. **“UBC Student Services”** means the administrative units and departments under the portfolio of The Vice-President, Students that are responsible for UBC student facilities and auxiliary services (i.e., athletics, bookstore, food services, housing, daycares, conferences & accommodations, parking, common use & student activity spaces, and other student services spaces).
- 3.9. **“UBC Supply Management”** means the administrative unit and department under the portfolio of The Vice-President, Finance & Operations that is responsible for procurement and purchasing of goods and services.

PROCEDURES

Approved: November 1977

Revised: [*]

Pursuant to Policy #1: Administration of Policies, "Procedures may be amended by the President, provided the new procedures conform to the approved policy. Such amendments are reported at the next meeting of the Board of Governors and are incorporated in the next publication of the UBC Policy and Procedure Handbook."

1. Approval Process for the Installation of Vending Machines

- 1.1. Generally, anyone who wishes to either install a new Vending Machine or replace an existing Vending Machine in or on UBC Space must first:
 - 1.1.1. Obtain approval of the Administrative Head of Unit; and
 - 1.1.2. Contact UBC Supply Management.
- 1.2. UBC Supply Management will, in consultation with UBC SHHS, confirm whether the Vending Machine is subject to any existing supplier contracts, and whether the Vending Machine is the responsibility of any UBC Student Services. If there is no relevant existing contract, then UBC Supply Management will contract with a supplier for Products and the Vending Machine through UBC's standard procurement process, if applicable.
- 1.3. If a contract is required, and the contract has been negotiated and executed by UBC Supply Management:
 - 1.3.1. If UBC SHHS has determined the Vending Machines to be the responsibility of any UBC Student Services in accordance with Section 1.2, then UBC SHHS or other UBC Student Services, as applicable, will make a final determination, with approval of UBC Facilities, if applicable, as to whether the requested Vending Machine should be installed; or
 - 1.3.2. If UBC SHHS has determined the Vending Machine is not the responsibility of UBC SHHS or any UBC Student Services, then the Administrative Head of Unit, or its delegate, will make a final determination, with approval of UBC Facilities, if applicable, as to whether the requested Vending Machine should be installed.
- 1.4. If an application for a Vending Machine has been approved in accordance with Section 1.3, then UBC Facilities will be consulted to support the installation or removal of the Vending Machines

to ensure accessibility, proximity to plumbing and electrical services, and compliance with building and fire codes within all UBC Space.

2. Expenses, Revenue and Commissions

- 2.1. Installation, maintenance, expenses, and operating costs of the Vending Machines are the responsibility of the applicable decision maker under Section 1.3 of these Procedures.
- 2.2. Commissions received from Vending Machines accrue to the applicable decision maker under Section 1.3 of these Procedures, except for commissions arising from Vending Machines in student common rooms assigned to student societies, which accrue to the student society, provided that:
 - 2.2.1. the location of the Vending Machine is in the common room;
 - 2.2.2. it is used almost exclusively by the members of that particular student society; and
 - 2.2.3. the student society obtains the approval for the Vending Machines in accordance with these Procedures.
- 2.3. Refunds for malfunctioning Vending Machines or for a defective product may be addressed to the vendor information on the specific Vending Machine or the recipients of commissions under Section 2.2 of these Procedures.

3. Additional Engagement

- 3.1. If there are any additional concerns or issues with respect to the Vending Machines subject to this Policy and its Procedures, then the Vice-President, Finance & Operations, or authorized delegate, may convene a meeting of representatives of UBC SHHS, UBC Facilities, UBC Supply Management, and other applicable UBC Members to consider and decide on such issues.
- 3.2. If there are any additional concerns or issues with respect to the Product available in the Vending Machines, then the Vice-President, Finance & Operations, or authorized delegate, may convene a meeting of representatives of UBC Student Services, UBC Supply Management, and other applicable UBC Members to consider and make a recommendation on such issues.

 <p>The University of British Columbia Board of Governors</p>	Policy No.: 101	Approval Date: November 1977 Last Revision: September 1993 [*]
	Responsible Executive: Vice-President, Administration and Finance <u>& Operations</u>	
Title: Vending Machines on Campus <u>or in UBC Space</u>		
Background & Purposes: <u>The Purpose of this Policy is to outline the administration, management, and responsibility for any Vending Machines which dispense Product to a customer for any form of consideration in or on UBC Space.</u>		

1. General

1.1. This Policy and the Procedures attached to this Policy apply to all Vending Machines on or in UBC Space.

1.2. ~~1.1. Vending machines which dispense candy bars and hot and cold drinks may be installed in university buildings with the approval of the administrative head who is the custodian of the building. Vending machines which dispense other types of food products require approval by the Director of Food Services.~~ Machines may be installed or replaced on or in UBC Space in accordance with the Procedures attached to this Policy.

2. Scope of Policy

2.1. This Policy and its Procedures do not apply to food prepared off campus which is sold to individuals and delivered to campus (e.g. pizza delivery services), automated teller machines that enable customers of financial institutions to perform financial transactions, photocopiers, and Products which are sold outside of a Vending Machine by UBC Members for fund raising activities.

3. Definitions

3.1. “Administrative Head of Unit” means a Director of service and/or administrative unit, centre, institute or school; a Head of an academic department or unit; a Dean; a Vice-President; a Vice-Principal; an Associate Vice-President; or any equivalent position, responsible for the UBC Space, area, or building where the Vending Machine is or will be located.

- 3.2. “**Products**” means any goods and, without limiting the generality of the definition, may include food, beverages, electronics, pharmaceutical products, photo printing, academic resources, supplies, clothing, and other consumable and non-consumable products.
- 3.3. “**Vending Machine(s)**” means any self-serve machine or kiosk which supplies Products to a customer for any form of consideration.
- 3.4. “**UBC Facilities**” means the administrative units and departments under the portfolio of The Vice-President, Finance & Operations that are responsible for UBC facilities management and building operations.
- 3.5. “**UBC Member**” means any student, faculty, or staff of UBC.
- 3.6. “**UBC SHHS**” means UBC Student Housing and Hospitality Services which is part of UBC Student Services.
- 3.7. “**UBC Space**” means all real property to which UBC has a right of possession, whether by way of ownership, lease, licence, or otherwise, except for real property owned by UBC but leased or licensed out to a third party (i.e. the J. Peter Meekison Student Centre in the University Centre, which is leased to the Students’ Union of UBC Okanagan, and the AMS Student Nest, which is leased to the UBC Alma Mater Society) which are not included in the definition of UBC Space.
- 3.8. “**UBC Student Services**” means the administrative units and departments under the portfolio of the Vice-President, Students that are responsible for UBC student facilities and auxiliary services (i.e., athletics, bookstore, food services, housing, daycares, conferences & accommodations, parking, common use & student activity spaces, and other student services spaces).
- 3.9. “**UBC Supply Management**” means the administrative unit and department under the portfolio of the Vice-President, Finance & Operations that is responsible for procurement and purchasing of goods and services.

PROCEDURES

Approved: November 1977

Revised: ~~September 1993~~ [*]

Pursuant to Policy #1: Administration of Policies, "Procedures may be amended by the President, provided the new procedures conform to the approved policy. Such amendments are reported at the next meeting of the Board of Governors and are incorporated in the next publication of the UBC Policy and Procedure Handbook."

1. General Approval Process for the Installation of Vending Machines

~~1.1. Application for the installation of vending machines which dispense candy bars and hot and cold drinks are directed to the Food Services Purchasing Department. The UBC Supply Management Department selects a supplier on a competitive basis, and the Food Services Purchasing Department makes arrangement for installation in consultation with the Director of Plant Operations.~~ Generally, anyone who wishes to either install a new Vending Machine or replace an existing Vending Machine in or on UBC Space must first:

1.1.1. Obtain approval of the Administrative Head of Unit; and

1.1.2. Contact UBC Supply Management.

1.2. UBC Supply Management will, in consultation with UBC SHHS, confirm whether the Vending Machine is subject to any existing supplier contracts, and whether the Vending Machine is the responsibility of any UBC Student Services. If there is no relevant existing contract, then UBC Supply Management will contract with a supplier for Products and the Vending Machine through UBC's standard procurement process, if applicable.

1.3. If a contract is required, and the contract has been negotiated and executed by UBC Supply Management:

1.3.1. If UBC SHHS has determined the Vending Machines to be the responsibility of any UBC Student Services in accordance with Section 1.2, then UBC SHHS or other UBC Student Services, as applicable, will make a final determination, with approval of UBC Facilities, if applicable, as to whether the requested Vending Machine should be installed; or

1.3.2. If UBC SHHS has determined the Vending Machine is not the responsibility of UBC SHHS or any UBC Student Services, then the Administrative Head of Unit, or its delegate, will make a final determination, with approval of UBC Facilities, if applicable, as to whether the requested Vending Machine should be installed.

1.4. If an application for a Vending Machine has been approved in accordance with Section 1.3, then UBC Facilities will be consulted to support the installation or removal of the Vending Machines to ensure accessibility, proximity to plumbing and electrical services, and compliance with building and fire codes within all UBC Space.

2. Expenses, Revenue and Commissions

~~2.1. 1.2.~~ Installation, maintenance, expenses, and operating costs of ~~such vending machines~~ the Vending Machines are the responsibility of the ~~recipients of commissions from sales~~ applicable decision maker under Section 1.3 of these Procedures.

~~2.2. 1.3.~~ Commissions received from Vending Machines accrue to ~~University Food Services revenues except for the following:~~

~~1.3.1.— Commissions arising from installations in specified buildings or areas that have received prior approval of the Vice President Administration and Finance. In these cases, commissions accrue to the administrative board or body charged with the responsibility for operating the building or area.~~
~~1.3.2.— Commissions~~ the applicable decision maker under Section 1.3 of these Procedures, except for commissions arising from ~~installations~~ Vending Machines in student common rooms assigned to student societies, which accrue to the student society, provided: that :

~~2.2.1.~~ the location of the ~~vending machine~~ Vending Machine is in the common room; ~~that~~

~~2.2.2.~~ it is used almost exclusively by the members of that particular student society; and ~~that~~

~~2.2.3.~~ the student society obtains the approval ~~of the dean responsible for the area~~ for the Vending Machines in accordance with these Procedures.

~~2.3.~~ Refunds for malfunctioning Vending Machines or for a defective product may be addressed to the vendor information on the specific Vending Machine or the recipients of commissions under Section 2.2 of these Procedures.

3. Additional Engagement

~~2.— Detailed Procedures~~

~~3.1.~~ If there are any additional concerns or issues with respect to the Vending Machines subject to this Policy and its Procedures, then the Vice-President, Finance & Operations, or authorized delegate, may convene a meeting of representatives of UBC SHHS, UBC Facilities, UBC Supply Management, and other applicable UBC Members to consider and decide on such issues.

~~2.1. Please contact the Manager of Food Services Purchasing.~~

~~3.2.~~ If there are any additional concerns or issues with respect to the Product available in the Vending Machines, then the Vice-President, Finance & Operations, or authorized delegate, may convene a meeting of representatives of UBC Student Services, UBC Supply Management, and other applicable UBC Members to consider and make a recommendation on such issues.