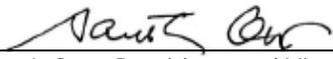


SUBJECT	POLICY 101 (VENDING MACHINES ON CAMPUS)
MEETING DATE	JUNE 13, 2019

Forwarded on the Recommendation of the President

**APPROVED FOR
SUBMISSION**



 Santa J. Ono, President and Vice-Chancellor

DECISION REQUESTED	IT IS HEREBY REQUESTED that, <i>at the recommendation of the Finance Committee, the Board of Governors approve proposed amendments to Policy 101 (Vending Machines on Campus).</i>
---------------------------	---

Report Date	May 15, 2019
--------------------	--------------

Presented By Hubert Lai, Q.C., University Counsel
 Peter Smalles, Vice-President Finance & Operations

<i>If this item was previously presented to the Board, please provide a brief description of any major changes since that time.</i>	Draft amendments to Policy 101 were presented to the Board of Governors for input on February 12, 2019 and it was published for a call for comment from February 28 to April 5, 2019. The Policy Development Committee reviewed the results of the community consultation and made minor changes to the draft of the proposed amendments to Policy 101, including moving the definitions section into the Procedures, and requiring that vending contracts, to the extent appropriate, adhere to government recommended healthy choices guidelines.
---	---

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; (c) that contracts between the University and suppliers of products in vending machines should recognize government recommended healthier choices guidelines; and (d) 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. Proposed version of Policy #101
2. Blackline of changes to proposed version of Policy #101 from when Policy #101 was last submitted to the Board of Governors in April 2019
3. Summary of community consultation and Policy Committee recommendations

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) the Facilities Management department on the UBC Okanagan campus or the UBC Building Operations department on the UBC Vancouver campus, as applicable, 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.

UBC is committed to the health and wellbeing of its students, faculty and staff. In order to affirm this commitment and to codify an existing practice, the proposed amendment will require that all contracts between the University and suppliers of products in vending machines will include a provision that, to the extent appropriate, the products supplied through such contracts will adhere to government recommended healthier choices guidelines.

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, including matters related to the products' alignment with UBC's commitment to the health and wellbeing of its students, faculty and staff.

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. In response to a comment from one of the members of the Board of Governors, the proposed amendment also provides an avenue for members of the UBC community to provide input with respect to the kinds of products available in vending machines on campus.
--	---

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	Subject to the approval from the Board of Governors, the next step will be to post the approved amended Policy on UBC's website.
-----------------	--

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: <ul style="list-style-type: none"> • 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 & Operations • Gary Hartung, Manager, Ancillary Services, Food & Parking, SHHS, 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

The proposed revisions to the Policy, were published on the Office of the University Counsel website with a call for comments from the UBC community.

The community consultation period was opened for five weeks, from February 28 to April 5, 2019. During this time, the Committee received two responses. A table setting out the summary of the received comments and the Committee's recommendations in response to the comments are attached as Attachment 3.

The Committee considered the input from the community consultation process and met to discuss the final proposal for the consideration of the Board of Governors. The Committee determined that only minor revisions needed to be made to the Policy since it was last presented to the Finance Committee of the UBC Board of Governors. These revisions include the following:

- Clarifying the definition of "UBC Facilities";
- Clarifying the role of UBC Facilities in the approval of the installation of vending machines;
- Moving the definitions sections from the main body of the Policy to its Procedures; and
- Requiring that, to the extent appropriate, contracts between the University and suppliers of products in vending machines should adhere to government recommended healthier choices guidelines.

For further details about the revisions made to the Policy, see Attachment 2, which provides a blackline of changes to the Policy from when the Policy was last submitted to the Board of Governors in April 2019.

 <p>The University of British Columbia Board of Governors</p>	<p>Policy No.:</p> <p>101</p>	<p>Approval Date: November 1977</p> <p>Last Revision: [*]</p>
	<p>Responsible Executive: Vice-President, Finance & Operations</p>	
<p>Title:</p> <p style="text-align: center;">Vending Machines on or in UBC Space</p>		
<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.</p>		

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.

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, and such contract will include provisions stating that the Products will, to the extent appropriate, adhere to any government recommended healthier choices guidelines that may be applicable to UBC.
- 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, 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, 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 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 Responsible Executive 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, such as the Product's alignment with UBC's commitment to the health and wellbeing of its students, faculty and staff, then the Responsible Executive 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.

4. Definitions

- 4.1. **"Administrative Head of Unit"** means the Director of a 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.

- 4.2. **“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.
- 4.3. **“Responsible Executive”** means the Vice-President, Finance & Operations.
- 4.4. **“UBC Facilities”** means the Facilities Management department on the UBC Okanagan campus and the UBC Building Operations department on the UBC Vancouver campus, as applicable.
- 4.5. **“UBC Member”** means any student, faculty, or staff of UBC.
- 4.6. **“UBC SHHS”** means UBC Student Housing and Hospitality Services which is part of UBC Student Services.
- 4.7. **“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.
- 4.8. **“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).
- 4.9. **“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.
- 4.10. **“Vending Machine(s)”** means any self-serve machine or kiosk which supplies Products to a customer for any form of consideration.

 <p>The University of British Columbia Board of Governors</p>	<p>Policy No.:</p> <p>101</p>	<p>Approval Date: November 1977</p> <p>Last Revision: [*]</p>
	<p>Responsible Executive: Vice-President, Finance & Operations</p>	
<p>Title:</p> <p style="text-align: center;">Vending Machines on or in UBC Space</p>		
<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.</p>		

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.

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, and such contract will include provisions stating that the Products will, to the extent appropriate, adhere to any government recommended healthier choices guidelines that may be applicable to UBC.
- 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, Responsible Executive~~ 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, such as the Product's alignment with UBC's commitment to the health and wellbeing of its students, faculty and staff, then the ~~Vice President, Finance & Operations, Responsible Executive~~ 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.

4. Definitions

4.1. **“Administrative Head of Unit”** means ~~a~~the Director of a 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.

4.2. **“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.

4.2.4.3. **“Responsible Executive”** means the Vice-President, Finance & Operations.

~~4.3.1.1. **“Vending Machine(s)”** means any self-serve machine or kiosk which supplies Products to a customer for any form of consideration.~~

4.4. **“UBC Facilities”** means the Facilities Management department on the UBC Okanagan campus and the UBC Building Operations department on the UBC Vancouver campus, as applicable~~the administrative units and departments under the portfolio of The Vice-President, Finance & Operations that are responsible for UBC facilities management and building operations.~~

4.5. **“UBC Member”** means any student, faculty, or staff of UBC.

4.6. **“UBC SHHS”** means UBC Student Housing and Hospitality Services which is part of UBC Student Services.

4.7. **“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.

4.8. **“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).

4.9. **“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.

4.10. **“Vending Machine(s)”** means any self-serve machine or kiosk which supplies Products to a customer for any form of consideration.

Proposed Revisions to Policy #101 – Community Consultation Summary

No.	Comment	Themes	Source	Campus	Committee Recommendation
1.	<p>Request a new section added into Policy 101 to require vending machines to follow the “Healthier Choices in Vending Machines in BC Public Buildings Policy” (the “Guidelines”). The Guidelines are mandatory for BC Public Buildings, which includes universities and therefore UBC. Vending machines in Public Buildings will contain at least 50% Sell Most and up to 50% Sell Sometimes food and beverage choices within a vending machine or bank of vending machines, and vending machines will contain no food or beverage choices from the “Do Not Sell” category (these categories are based on nutritional content per serving size). https://www.healthlinkbc.ca/healthy-eating/professionals/food-policy</p>	Nutrition	Faculty	Vancouver	<p>Many buildings in UBC, such as student housing, are out of scope of the Guidelines. In addition, according to Student Housing and Hospitality Services (“SHHS”), the Guidelines were drafted in consideration of the smaller caloric intake of children in primary schools. For this reason, wholesale application of the Guidelines to UBC is impractical. As a matter of practice, SHHS ensures that the vending contracts the University enters into require adherence to the Guidelines to the extent applicable. After discussion, the Policy Development Committee (the “Committee”) decided to document this practice in Policy #101 with a revision to Section 1.2 which added the following language: <i>“and such contract will include provisions stating that the Products will, to the extent possible, adhere to any government recommended healthier choices guidelines that may be applicable to UBC.”</i></p>
2.	<p>In sections 1.3.1 and 1.3.2 of the Procedures, clarify the role of Facilities – why is their approval sought only “if applicable” – what are the considerations here in making the decision of whether it is applicable or not. Consider changing the defined term “Facilities” to reduce likelihood of confusion as to which unit is being referred to</p>	Responsibilities	Staff	Vancouver	<p>The “if applicable” language in Sections 1.3.1 and 1.3.2 was initially added in order to provide UBC Facilities flexibility in terms of determining which projects require their approval. The Committee decided to delete both references to “if applicable” to remove the identified ambiguity, because the revised text would still allow Facilities to determine whether any particular installation required their approval. The definition of the term “UBC Facilities” was revised to name the actual units.</p>