

# **PURCHASE AND PROCUREMENT POLICY**

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# **PURCHASE AND PROCUREMENT POLICY**

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The Children's Aid Society of London and Middlesex will ensure that the purchase of goods and services, including construction, consulting and information technology services, represents fair value for money and involves an established competitive process as outlined in the Broader Public Sector (BPS) Procurement Directive issued by the Ministry of Finance (effective April 1, 2011).

*Approved November 2007*

*Revised and Approved by Executive Leadership Team- 13 June 2012*

## **1.0 Purpose**

- To ensure publicly funded goods and services, including construction, consulting and information technology services are acquired by the Society through a process that is open, fair and transparent.
- To specify the principles that shall govern the planning, acquisition and management of the goods, services and consulting services needed by the Society.
- To specify the mandatory requirements for adherence to those principles

## **2.0 Application**

This policy applies to the planning, acquisition and management of goods and services including construction, consulting and information technology services needed by the Society to ensure a procurement process that is fair and transparent to all stakeholders.

The Society will conduct procurement activities according to the law in Ontario, including contract law, the law of competitive processes, privacy legislation, accessibility legislation and any other legislation as may be applicable.

The Society may also be subject to various trade agreements, including but not limited to the Agreement on Internal Trade (AIT) and the Ontario-Quebec Trade and Cooperation Agreement (Ontario-Quebec Agreement).

## **3.0 Principles**

The overall objective is to acquire and supply at the right time and in the most economical manner the goods and services, including construction, consulting and information technology, needed to meet Society requirements based on the five principles that allow the Society to achieve value for money:

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- **Accountability**

The Society will be accountable for the results of our procurement decisions and the appropriateness of the process.

- **Transparency**

The Society will be transparent to all stakeholders. Wherever possible, stakeholders will have equal access to information on procurement opportunities, processes and results. Conflicts of interest shall be avoided in acquiring goods and services and in resulting contracts; vendors shall not be permitted to gain a monopoly for a particular kind of work; and relationships shall not be created which result in continuous reliance on a particular vendor.

- **Value for Money**

Goods and services including construction, consulting and information technology services shall be acquired from qualified vendors through a competitive process to meet specified needs and to achieve, at the least price/cost, to maximize the value the Society receives from the use of public funds. Quality, quantity, delivery, servicing, experience, environmental sustainability, and the financial capability of the vendor should be taken into consideration when acquiring goods and services including construction, consulting and information technology services.

- **Quality Service Delivery**

Services acquired through the procurement process must be the right product, at the right time, in the right place.

- **Managing**

Once acquired, goods and services including construction, consulting and information technology services shall be managed efficiently, effectively and economically.

## **4.0 Mandatory Requirements**

### **4.1 Segregation of Duties**

The Society will segregate at least three of the five function procurement roles: Requisition, Budgeting, Commitment, Receipt and Payment. Responsibilities for

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these roles will lie with different departments or, at minimum, with different individuals.

### **4.2 Responsible Management**

All procurement of goods, services and consulting services by the Society must be responsibly and effectively managed. To ensure consistency through the proposal process all communication with bidders shall be through a single designated Society staff member.

In addition to complying with all applicable mandatory requirements of this policy, the Society must pay particular attention to the following in managing procurement contracts:

- All payments must be in accordance with contractual provisions;
- All payments must be made in accordance with the **Travel, Meals and Hospitality Policy**;
- Any overpayment must be recovered;
- All assignments must be properly documented;
- Vendor performance must be managed and documented and any performance issues must be resolved;
- All required approvals must be obtained for all changes in scope and terms and conditions of the agreement; and
- Knowledge of transfer to Society staff must take place, where applicable.

### **4.3 Planning**

The Society must undertake planning as an integral part of the acquisition process. The following planning requirements must be addressed and documented:

- Early identification of needs;
- Clear definition of requirements;
- Justification for the acquisition;
- Compatibility of requirements with program delivery;
- Availability of necessary human, financial, technical and accommodation resources;
- Consideration of alternative ways to satisfy the needs and selection of the most appropriate option;
- An estimate undertaken of the procurement value; and
- Necessary authorization to proceed.

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### **4.4 Conflict of Interest**

The Society will monitor any conflict of interest that may arise as a result of Member's of the Society, advisors', external consultants' or supplier's involvement with the Supply Chain Activities. Individuals involved with Supply Chain Activities must declare actual or potential conflict of interest. Where a conflict of interest arises, it must be evaluated and an appropriate mitigating action must be taken.

This applies to Directors and Committee Members who must comply with the policy as set out in the Agency Governance Policies and employees must comply with the policy as set out in the Human Resources Manual.

The Society shall include in the procurement documents provisions that:

- Define conflict of interest to include situations or circumstances that could (a) give a vendor an unfair advantage during a procurement process; or (b) compromise the ability of a vendor to perform its contractual obligations;
- Reserve the right of the Society to solely determine whether any situation or circumstance constitutes a conflict of interest;
- Require prospective vendors participating in a procurement process to declare any actual or potential conflict of interest;
- Reserve the Society's right to disqualify prospective vendors from a procurement process due to conflict of interest;
- Require vendors to avoid any conflict of interest during the performance of their contractual obligations for the Society;
- Require vendors to disclose any actual or potential conflict of interest arising during the performance of a contract;
- Reserve the right of the Society to prescribe the manner in which a vendor should resolve a conflict of interest;
- Allow the Society to terminate a contract where a vendor fails to disclose any actual or potential conflict of interest or fails to resolve its conflict of interest as directed by the Society; and
- Allow the Society to terminate a contract where a conflict of interest cannot be resolved.

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### **5.0 Supply Source**

In determining the appropriate supply source where internal Society resources are not available, the Society must, where applicable, in the order indicated, use Society Vendor of Record, or use a separate competitive process, in accordance with this policy.

#### **5.1 Supplier Pre-Qualification**

The Request for Supplier Qualification (RFSQ) enables the Society to gather information about supplier capabilities and qualifications in order to pre-qualify suppliers for an immediate product or service need or to identify qualified candidates in advance of expected future competitions.

Where the requirement is not straightforward or an excessive workload would be required to evaluate proposals, either due to their complexity, length, number or any combination thereof, a procedure may be used that would include a pre-qualification phase. The competitive procurement process may or may not include Vendor pre-qualification.

Terms and conditions of the RFSQ document must contain language that disclaims any obligation of the Society to call on any supplier to provide goods or services as a result of pre-qualification.

#### **5.2 Posting Competitive Procurement Documents**

Calls for open competitive procurements must be made through an electronic tendering system that is readily accessible by all Canadian suppliers. Typically, the Society will post all Request for Proposal or Request for Quotations on the Ontario Public Buyers Association (OPBA) website to meet the criteria outlined in the BPS Directive.

#### **5.3 Timelines for Posting Competitive Procurements**

The Society will provide suppliers a minimum response time of 45 calendar days for procurement of goods and services valued at \$100,000 or more. This will be reduced to 40 days if the bid is published on an online portal and reduced, again, to 35 days if the bids are accepted electronically.

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### **5.4 Bid Receipt**

Bid submission date and closing time must be clearly stated in competitive documents. The closing date of a competitive procurement process must be set on a normal working day (Monday to Friday, excluding provincial and national holidays).

Submissions that are delivered after the closing time must be returned unopened.

### **5.5 Contract Duration and Terms**

Contract terms shall typically be three years, with options to renew up to two additional years reviewed annually.

The responsibilities of both the Society and the vendor in regard to the provision of goods, services and consulting services must be defined formally in a signed written contract before the supply of the goods or services commences.

A cancellation clause must be included in contracts.

Vendor performance on all contracts must be documented using the Vendor Performance Evaluation Checklist and all performance issues must be resolved. In the case of multi-year contracts, this must be done at least annually.

### **5.6 Vendor of Record**

A Vendor of Record may be established where:

- The actual demand is not known in advance, or
- A need is anticipated for a range of goods, services and consulting services for a specific purpose, but the actual demand is not known at the outset, and delivery is to be made when a requirement arises.

When a purchasing action is initiated for frequently used goods or services, it is to be made with the supplier or suppliers listed in the Vendor of Record.

### **5.7 Co-operative Purchasing (i.e. Buying Groups)**

The Society may participate with other government agencies or public authorities in Co-operative Purchasing where it is in the best interests of the Society to do so.



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The decision to participate in Co-operative Purchasing agreements will be made by either the Executive Director or authorized designate or the Director of Corporate Services.

### **5.8 Approval Authority**

The Approval Authority Schedule (AAS) for procurement of goods and non-consulting services has been approved by the Board of Directors or its equivalent. Prior to commencement, any procurement of goods and non-consulting or consulting services must be approved by an appropriate authority.

<b>PROCUREMENT AAS FOR CONSULTING SERVICES</b>	
<b>Non-competitive</b> (exemption-based only)	
\$0 up to but not including \$1,000,000	CEO, Executive Director or equivalent approval required
\$1,000,000 or more	Board of Directors or equivalent approval required

### **5.9 Competitive Procurement Thresholds**

The Society will conduct an open competitive procurement process where the estimated value of procurement of goods or services is \$100,000 or more. Exemptions will be in accordance with applicable trade agreements.

The Society must competitively procure consulting services irrespective of value as outlined in the BPS Directive. Exemptions will be in accordance with applicable trade agreements.

To ensure fair value for money and a competitive process the following purchase thresholds shall be used when a Vendor of Record is inapplicable:

<b>GOOD, NON-CONSULTING SERVICES AND CONSTRUCTION</b>	
<b>Value</b>	<b>Minimum Requirement</b>
\$0 - \$50	Petty cash
Under \$1,000	No quote required
\$1,000 to \$5,000	1 documented verbal quote
\$5,000 to \$10,000	2 documented verbal quotes
\$10,000 to \$25,000	3 documented verbal quotes
\$25,000 to \$100,000	3 written quotes (Invitational competitive procurement)

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\$100,000 or more	Request for Proposal or Request for Quote (Open competitive process)
<b>CONSULTING SERVICES</b>	
<b>Value</b>	<b>Minimum Requirement</b>
\$0 up to but not including \$100,000	Invitational or open competitive process
\$100,000 or more	Open competitive process

Purchase threshold values shall be based on the total value of expenditures through the life of the contract. The overall value of the procurement may not be split (i.e. dividing a single procurement into multiple procurements) in order to circumvent competitive procurement thresholds. When determining the value of procurement for approval purposes the Society will not take into consideration applicable sales taxes as outlined in the BPS Directive.

### **5.10 Verbal Quote**

Verbal quote documentation shall include a brief description of the goods or services, the name(s) of the vendor(s) solicited; the date of the quote(s) and the rationale for choosing a specific vendor whenever multiple quotations are required.

### **5.11 Written Quotes**

A written quote document shall include a description of the goods or services; a copy of the documentation provided to vendors to solicit quotations; a list of all vendors invited to quote including a note on any vendor who declined to provide a quote; copies of all quotes received; and the rationale for choosing the successful vendor.

### **5.12 Competitive Process (RFP, RFQ or Request for Tender)**

A competitive process is undertaken whereby a minimum of 3 bids is sought, and the lowest compliant bid is awarded the contract. Care must be taken as to how bids are sought, bidders' lists are maintained and how competition is encouraged. Although a minimum of 3 bids is required, an open process without a minimum number of bids will be more competitive, and is encouraged.

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RFP (Request for Proposal) shall be used where:

- a) The good or service is valued between \$100,000 and \$250,000;
- b) The requirement is best described in a general performance specification;
- c) Innovative solutions are sought from the vendors to achieve the general performance leading to the desired result;
- d) To achieve best value, the award selection will be made on an evaluated point per item or other method involving a combination of mandatory and desirable requirements. Price is included in the consideration but is not the sole determining factor; and
- e) Sealed bids shall be used where the goods or service is greater than \$250,000. The Senior Director of Corporate Services shall be responsible for arranging for the public opening of sealed bids at the time and date specified by the tender call. There shall be at least 3 senior managers in attendance at that time

RFQ (Request for Quotation) shall be used where:

- a) The good or service is valued between \$25,000 and \$100,000;
- b) The requirement can be fully defined in a specification to the vendors; and,
- c) Best value for the Society can be achieved by an award selection made on the basis of the lowest bid that meets specifications.

Requests for Tender shall be used where:

- a) The item is greater than \$250,000;
- b) The requirement can be fully defined in a specification to the vendors; and,
- c) Best value for the Society can be achieved by an award selection made on the basis of the lowest bid that meets specifications.

### **5.13 Contract Value Increase**

Any proposed increase to the total contract value for procurement beyond the initially documented total contract value requires prior written approval of the appropriate delegated authority before the contract value is increased or any further procurement activity proceeds.

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## **6.0 Evaluation Process**

The evaluation of all competitive bids must follow the process as outlined in the BPS Directive. The Society will evaluate the bids on the criteria set forth in the competitive procurement process. An evaluation team and matrix must be identified in the competitive procurement documents.

### **6.1 Evaluation Criteria**

Evaluation criteria must be developed, reviewed and approved by an appropriate authority prior to commencement of the competitive procurement process. This may include factors such as qualifications and experience, strategy, approach, methodology, scheduling and past performance, facilities, equipment, and pricing. Cost will always be included as a factor, as best value includes both quality and cost.

Competitive procurement documents must clearly outline mandatory, rated and other criteria that will be used to evaluate submissions, including weight of each criterion.

Mandatory criteria (i.e. technical standards) should be kept to a minimum to ensure that no bid is unnecessarily disqualified.

Maximum justifiable weighting must be allocated to the price/cost component of the evaluation criteria. Generally, this will constitute 50% of the weighted criteria. All criteria must not discriminate or exercise preferential treatment in awarding a contract to a supplier as a result of a competitive procurement process.

The evaluation criteria will be altered only by means of an addendum to the competitive procurement documents.

The Society may request suppliers to provide alternative strategies or solutions as part of their submission. The Society is to establish criteria to evaluate alternative strategies or solutions prior to commencement of the competitive procurement process. Alternative strategies or solutions must not be considered unless they are explicitly requested in the competitive procurement documents.

### **6.2 Evaluation Process Disclosure**

Competitive procurement documents must fully disclose the evaluation methodology and process to be used in assessing submissions, including the method of resolving the score.

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Competitive procurement documents must state that the submissions that do not meet the mandatory criteria will be disqualified.

### **6.3 Evaluation Team**

Competitive procurement processes require an evaluation team responsible for reviewing and rating the compliant bids.

Evaluation team members must be made aware of the restrictions to utilization and distribution of confidential and commercially sensitive information collected through the competitive procurement process and refrain from engaging in activities that may create or appear to create a conflict of interest.

Evaluation team members must sign a conflict-of-interest declaration and a non-disclosure of confidential information agreement.

### **6.4 Evaluation Matrix**

Each evaluation team member must complete an evaluation matrix, rating each of the submissions. Records of evaluation scores must be retained for audit purposes.

Evaluators must ensure that everything they say or write about the submission is fair, factual, and fully defensible.

### **6.5 Winning Bid**

The submission that receives the highest evaluation score and meets all mandatory requirements set out in the competitive procurement document must be declared the winning bid.

The Society reserves the right to accept or reject any submission.

The designated Society staff member shall forward to the Executive Director or authorized designate, an evaluation summary of the procurement, as well as the Committee's recommendation for award of contract to the supplier meeting all mandatory requirements and providing best value as stipulated in the Request for Proposal. Where the lowest bid is not accepted, the Executive Director or authorized designate is responsible for documenting the determination of best value prior to award of contract.

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## **6.6 Executing the Contract**

The agreement between the Society and the successful supplier must be formally defined in a signed written contract before the provision of supplying goods or services commences.

Where an immediate need exists for goods or services, and the Society and the supplier are unable to finalize the contract described above, an interim purchase order may be used. The justification of such decision must be documented and approved by the appropriate authority.

## **6.7 Bid Dispute Resolution**

Competitive procurement documents must outline bid dispute resolution procedures to ensure that any dispute is handled in an ethical, fair, reasonable and timely fashion. Bid dispute resolution procedures must comply with bid protest or dispute resolution procedures set out in the applicable trade agreement.

## **7.0 Contract Management**

Procurements and the resulting contracts must be managed responsibly and effectively. Payments must be made in accordance with provisions of the contract. All invoices must contain detailed information sufficient to warrant payment. Any overpayments must be recovered in a timely manner.

Assignments must be properly documented. Supplier performance must be managed and documented, and any performance issues must be addressed.

To manage disputes with suppliers throughout the life of the contract, the Society will include a dispute resolution process in their contracts.

For services, the Society must:

- Establish clear terms of reference for the assignment. The terms should include objectives, background, scope, constraints, staff responsibilities, tangible deliverables, timing, progress reporting, approval requirements, and knowledge transfer requirements.
- Establish expense claim and reimbursement rules compliant with the Broader Public Sector Expenses Directive<sup>1</sup> and ensure all expenses are claimed and reimbursed in accordance with these rules.
- Ensure that expenses are claimed and reimbursed only where the contract explicitly provides for reimbursement of expenses.

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### **7.1 Establishing the Contract**

The contract must be finalized using the form of agreement that was released with the procurement documents.

In circumstances where an alternative procurement strategy has been used (i.e. a form of agreement was not released with the procurement document), the agreement between the Society and the successful supplier must be defined formally in a signed written contract before the provision of supplying goods or services commences.

### **7.2 Termination Clauses**

All contracts must include appropriate cancellation or termination clauses. When conducting complex procurements, the Society will consider, as appropriate, the use of the contract clauses that permit cancellation or termination at critical project life-cycle stages.

### **7.3 Term of Agreement Modifications**

The term of the agreement and any options to extend the agreement must be set out in the competitive procurement documents. An approval by an appropriate authority must be obtained before executing any modifications to the term of agreement.

Extending the term of agreement beyond that set out in the competitive procurement document amounts to non-competitive procurement where the extension affects the value and/or stated deliverables of procurement.

### **7.4 Contract Award Notification**

For procurements valued at \$100,000 or more, the Society must post, in the same manner as the procurement documents were posted, contract award notification. The notification must be posted after the agreement between the successful supplier and the Society was executed. Contract award notification must list the name of the successful supplier, agreement start and end dates, and any extension options.

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### **7.5 Supplier Debriefing**

Unsuccessful proponents may, upon their request, attend a debriefing session with Purchaser to review their bid submission. Discussions relating to any bid submissions other than that of the proponent present will be strictly prohibited.

### **8.0 Non-Competitive Procurement**

The Society will employ a competitive procurement process to achieve optimum value for money. It is recognized, however, that special circumstances may require the Society to use non-competitive procurement.

The Society may utilize non-competitive procurement only in situations outlined in the exemption, exception, or non-application clauses of the AIT or other trade agreements.

Prior to commencement of non-competitive procurement, supporting document

The requirement for competitive bid solicitation for goods, services and construction may be waived under joint authority of the Executive Director or authorized designate and Senior Director of Corporate Finance under the following circumstances:

- a) Where competition is precluded due to the application of any Act or legislation or because of the existence of patent rights, copyrights, technical secrets or controls of raw material;
- b) Where due to abnormal market condition, the goods, services or construction required are in short supply;
- c) Where only one source of supply would be acceptable and cost effective;
- d) Where there is an absence of competition for technical or other reasons and the goods, services or construction can only be supplied by a particular supplier and no alternative exists;
- e) Where the nature of the requirement is such that it would not be in the public interest to solicit competitive bids as in the case of security or confidentiality matters;
- f) In the event of a "Emergency" as defined below;
- g) Where the requirement is for a utility for which there exists a monopoly;
- h) Boarding expenditures (including One on One Support Costs, Day Care Costs, etc.)
- i) Allowances paid to Foster Parents (clothing, spending, etc.);
- j) Expenditure reimbursements paid to foster parents;
- k) Health and related costs incurred on behalf of a Society client;
- l) Items covered by Collective Agreement or Employment Contract;



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- m) Small dollar purchases where the annualized aggregate is less than \$5,000 and each individual purchase is less than \$1,000 (i.e. plumbing services)

When the Society intends to select a supplier to provide goods or services pursuant to this subsection a written report indicating the compelling rationale that warrants a non-competitive selection will be prepared prior to approval prior of the selection. Neither justification nor a written report is required for goods or services excluded as per paragraphs g) to m).

### **8.1 Procurement in Emergencies**

“Emergency” includes an imminent or actual danger to the life, health or safety of an official or an employee while acting on the Society’s behalf (i.e. emergency boiler repairs or replacement), an imminent or actual danger of injury to or destruction of real or personal property belonging to the Society.

Where, in the opinion of the Executive Director, an emergency has occurred, the Society may initiate a purchase order in excess of the preauthorized expenditure limit provided that the justification for the exception is fully documented and included in the appropriate files.

### **8.2 Direct Negotiation**

Goods, services and consulting services may be purchased using the Direct Negotiation method only if one or more of the following conditions apply:

- a) The required goods, services and consulting services are reasonably available from only one source by reason of the scarcity of supply in the market or the existence of exclusive rights held by any supplier or the need for compatibility with goods, services and consulting services previously acquired and there are no reasonable alternatives or substitutes.
- b) The required goods, services and consulting services will be additional to similar goods, services and consulting services being supplied under an existing contract (i.e. contract extension).
- c) An attempt to purchase the required goods, services and consulting services has been made in good faith using a method other than Direct Negotiation which has failed to identify a successful supplier and it is not reasonable or desirable that a further attempt to purchase the goods, services and consulting services be made using a method other than Direct Negotiation.
- d) The goods, services and consulting services are required as a result of an emergency, which would not reasonably permit the use of a method other than Direct Negotiation.

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- e) The required goods, services and consulting services are to be supplied by a particular vendor or supplier having special knowledge, skills, expertise or experience.

### **9.0 Obtaining the Services of a Consulting Firm**

The Society must deal effectively with the critical issues associated with each consulting services assignment. Prior to commencement, any procurement of consulting services must be approved in accordance with the Procurement Approval Authority Schedule for Consulting Services as noted in section 5.4.

#### **9.1 Responsible Management**

All procurements of consulting services by the Society must be responsibly and effectively managed.

In addition to complying with all applicable mandatory requirements of the applicable procurement objectives, the Society must pay particular attention to the following in managing consulting services assignments:

- All payments must be in accordance with contractual provisions;
- All payments for applicable expenses must be in accordance with the Society **Travel, Meals and Hospitality Policy**.
- All consulting assignments must be properly documented;
- Vendor performance must be managed and documented and any performance issues must be resolved;
- All required approvals must be obtained for all changes in scope and terms and conditions of the agreement; and
- Knowledge transfer to Society staff must take place, where applicable.

#### **9.2 Assignment Definition, Justification and Approval**

Before seeking assistance from consulting service vendors, the Society must properly define and justify the assignment and obtain all required approvals.

##### *Terms of Reference*

The Society must establish clear terms of reference for the consulting assignment, including objectives, background, scope, constraints, staff responsibilities, tangible deliverables/results, timing, progress reporting, approval requirements, and where applicable, knowledge transfer requirements.

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### *Assignment Substantiation*

The Society must not purchase external consulting services when existing Society resources are available for the assignment. The Society must document its prior consideration of using internal resources as part of the procurement documentation if a decision is made to use external resources.

### *Competition and Approval*

The Society must not subdivide projects, procurement or agreements to avoid any requirements of this or any other applicable policies regarding competition, approvals or reporting.

### *Firm Ceiling Price for Specific Deliverables*

In order to achieve value for money, for all consulting services assignments, a firm agreement ceiling price must be tied to the supply or completion by the vendor of tangible deliverables.

## **10.0 Procurement Records Retention**

For reporting and auditing purposes, all procurement documentation, as well as any other pertinent information must be retained in a recoverable form for a period of seven years.

The Society's policy for handling, storing and maintaining the suppliers' confidential and commercially sensitive information is as follows but not limited to:

The Society must retain for a minimum of seven years

- A copy of the procurement justification or business case;
- Information regarding all vendor consultations, including any requests for information, undertaken in the development of the procurement justification or business case or request for qualifications, proposals or tenders;
- Documentation that all required approvals were obtained;
- Copies of all requests for qualifications, proposals or tenders used to qualify and select the vendor;
- For the successful vendor(s), conflict of interest declaration in accordance with the policy,
- Information regarding any issues that arose during the procurement process, and how the issues were resolved,
- Information regarding all vendor debriefings,

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- Copies of all contract award notifications,
- Where the procurement proceeded under a vendor of record arrangement, information regarding the process used to select the vendor from among the authorized vendors under the vendor of record arrangement;
- Copies of all responses, submissions, proposals and bids received in response to requests for information, qualifications, proposals or tenders, for the successful vendor(s), and conflict of interest declaration in accordance with this policy;
- Copies of all contracts;
- Information regarding all uses of any of the exceptions set out in Section 6, including the justification for the use of the exception, the recipient of the contract, the date of award and the total contract value;
- Justification for the use of any exception, the recipient of the contract, the date of the award and the contract value,
- Information regarding all changes to the terms and conditions of a contract, including any changes that resulted in an increase in the contract price;
- Information regarding the management of the vendor, including how the vendor's performance was monitored and managed and, where applicable, mechanisms used to transfer knowledge from the vendor to Society staff,
- Evidence of receipt of deliverables,
- Detailed invoices that allow the assessment of the appropriateness and reasonableness of amounts billed.

### **11.0 Management of Moveable Assets**

All goods, services and consulting services acquired for Society use must be managed in an efficient, effective and economical manner.

Appropriate systems must be established and maintained to enable the effective management and security of the Society's assets, including the periodic physical verification of movable assets at least once every four years.

Movable assets comprise durable items of machinery, business equipment and related apparatus, vehicles and other modes of transport, furniture and furnishings that are capable of being moved, whether the assets are in use or being held for later use, transfer, trade-in or disposal.

### **12.0 Disposal of Surplus Goods**

All departments shall notify the Director of Corporate Services (or individual designated by the Society) when items become obsolete or surplus to their requirements.

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The Director of Corporate Services shall be responsible for ascertaining if the items can be of use elsewhere within the Society.

Items that can not be used may be offered for sale using a method appropriate to the materiality of the disposal. Justification for the method of disposal used must be documented by the Society along with a list of the actual items disposed of.

### **13.0 Procurement Not Covered by the Provisions of this Policy**

The above standards do not apply to the procurement of services provided by the following licensed professionals:

- Medical doctors
- Dentists
- Nurses
- Pharmacists
- Veterinarians
- Engineers
- Land surveyors
- Architects
- Certified public accountants
- Lawyers
- Notaries

### **14.0 Other Procurements Not Covered by the Provisions of this Policy**

- Procurement of services from psychologists
- Procurement from philanthropic institutions, prison labour or persons with disabilities
- Procurement made pursuant to an agreement or policy concerning Aboriginal Peoples
- Procurement of goods related to cultural or artistic fields as well as computer software for educational purposes, and
- Procurement of services from Outside Paid Resources (OPRs) for children in the care of the Society

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### **15.0 Standards to Apply When Procuring Services Not Covered by the Purchase and Procurement Policy**

The Society shall:

- Document the basis upon which the licensed professionals were selected and why the fees are commensurate with the qualifications of those licensed professionals;
- Enter into formal agreements detailing the conditions under which services are to be provided and paid;
- Periodically evaluate the results achieved; and
- Ensure that invoices contain sufficient detail to assess the appropriateness and reasonableness of amounts billed.

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