

COMMUNITY LIVING CAMBRIDGE

Procurement Policy

November 2017

Community Living Cambridge endeavours to comply with the Broader Public Sector (BPS) Procurement Directive (BPSPD) as set out in the Broader Public Sector Accountability Act, 2010, (Section 12).

Purpose

The purpose of this policy is to ensure that the public funds entrusted to CLC to acquire goods and services, including construction, consulting services, and information technology are managed through a process that is open, fair, and transparent; to clearly outline the responsibilities of CLC through each stage of the procurement process; and to ensure that procurement processes are managed on a basis consistent with the Broader Public Sector. It will insure that CLC receives value for money spent for procurement.

Principles

This policy follows the five principles outlined in the BPSPD.

1. Accountability
CLC will be accountable for the results of its procurement decisions and the appropriateness of the processes.
2. Transparency
CLC will be transparent to all stakeholders. Wherever possible, stakeholders will have equal access to information on procurement opportunities, processes and results.
3. Value for Money
CLC will maximize the value it receives from the use of public funds. A value- for-money approach aims to deliver goods and services at the optimum total lifecycle cost.
4. Quality Service Delivery
Front-line services provided by Organizations, such as teaching and patient care, must receive the right product, at the right time, in the right place.
5. Process Standardization
Standardized processes remove inefficiencies and create a level playing field

Supply Chain Code of Ethics

CLC will also adhere to the BPSPD Supply Chain Code of Ethics:

Goal: To ensure an ethical, professional and accountable BPS supply chain.

I. Personal Integrity and Professionalism

Individuals involved with Supply Chain Activities must act, and be seen to act, with integrity and professionalism. Honesty, care and due diligence must be integral to all Supply Chain Activities within and between BPS organizations, suppliers and other stakeholders. Respect must be demonstrated for each other and for the environment. Confidential information must be safeguarded. Participants must not engage in any activity that may create, or appear to create, a conflict of interest, such as accepting gifts or favours, providing preferential treatment, or publicly endorsing suppliers or products.

II. Accountability and Transparency

Supply Chain Activities must be open and accountable. In particular, contracting and purchasing activities must be fair, transparent and conducted with a view to obtaining the best value for public money. All participants must ensure that public sector resources are used in a responsible, efficient and effective manner.

III. Compliance and Continuous Improvement

Individuals involved with purchasing or other Supply Chain Activities must comply with this Code of Ethics and the laws of Canada and Ontario. Individuals should continuously work to improve supply chain policies and procedures, to improve their supply chain knowledge and skill levels, and to share leading practices.

Procurement of Goods and Non-Consulting Services

The Approval Authority for the procurement of all goods and non-consulting services can be reviewed at Appendix A. Prior to any commitment to procure goods or services approval must be obtained by the appropriate authority as outlined in Appendix A. Should the procurement of goods or non-consulting services be non-competitive it must be approved by the person one level higher than the approval authority set out in Appendix A.

Procurement of Consulting Services

Consulting Services must be approved before the commencement of the service. The Approval Authority for invitational competitive and open competitive procurements can be found in Appendix A. Noncompetitive consulting service procurements of a value up to \$99,999 must be approved by the ED/CEO. If the procurement is for \$100,000 or more, Board approval is required.

Competitive Procurements

Procurements of goods or service with a value of \$100,000 or more require an open competitive bid. Consulting service procurements of any value must proceed through a competitive process.

Goods, Non-Consulting Services and Construction		
Total Procurement Value	Means of Procurement	Recommended/Required
\$0 up to but not including \$100	Petty cash	Recommended
\$100 up to but not including \$3,000	Requisition/Purchase Order	Recommended
\$3,000 up to but not including \$10,000	Purchase order	Recommended
\$10,000 up to but not including \$100,000	Invitational competitive procurement (minimum of three suppliers are invited to submit a bid)	Recommended
\$100,000 or more	Open competitive process	Required
Consulting Services		
Total Procurement Value	Means of Procurement	Recommended/Required
\$0 up to but not including \$100,000	Invitational or open competitive process	Required
\$100,000 or more	Open competitive process	Required

- Requests for Information may be used where informal search for suppliers or information is insufficient. Request for Supplier Qualification may also be used to pre-qualify suppliers before competitive or invitational procurements. Request for Supplier Information should include clear information that it does not obligate CLC to use the services of the supplier.
- Open procurements must go through an electric tendering system such as bidsandtenders.ca
- CLC will provide suppliers 30 calendar days to respond to tenders.
- The closing dates and times must be clearly stated in the procurement documents and bids submitted past the time must be returned unopened. Closing dates will not land on a weekend or statutory holiday.
- Evaluation criteria of each mandatory competitive procurement must be approved by the ED and or Director of Finance prior to the start of the competition. All documents must clearly state all the criteria to be considered in the competition and the weight of each criterion. Such criteria can only be changed by an addendum to the original documents. Alternative solutions provided by suppliers in their bids can only be accepted as part of the competitive process if it has been clearly stated in the initial competitive procurement tender that alternatives will be considered.
- The procurement documents must state the methods and processes that will be used to assess the submissions and the procedures that will be in place to resolve ties. Also stated will be the

statement that bids that do not meet the criteria will be disqualified. Bid Dispute resolution procedures will be included to ensure disputes are handled in a fair and timely manner.

- An evaluation team will review and rate all qualified submissions. Each team member will sign a conflict of interest declaration as well as a confidentiality agreement that recognizes the confidentiality of CLC as well as the supplier's data, processes, and financial information. Team members will independently complete an evaluation grid of criteria on each submission and the matrices must be retained for audit purposes.
- The winning bid will be the one that meets all mandatory requirements and has the highest score on the grid. No preferential treatment will be exercised by any member of the evaluation team.
- A formal contract will be executed between CLC and the successful supplier. Any work on the procured item that is undertaken prior to the signing of the contract must be documented and approved by the appropriate authority. The contract must follow the requirements as set out in the procurement documents. If an alternative strategy has been accepted no fulfillment of the procurement can be undertaken until a contract is signed.
- Contracts will set out termination parameters and critical points where contract terminations will be allowed.
- Agreement extension, if any, will be outlined in the procurements documents and must be approved by the appropriate authority before being invoked.
- CLC will issue notice of contract awards through the same posting medium used to issue the procurement document upon the signing of the contract. The notification will state the successful supplier, the start and end dates of the agreement, and any contract extension options agreed to. CLC will debrief unsuccessful suppliers who request one within 60 days of the notice of contract award.

Non-Competitive Procurements

Exemptions to the requirement for competitive procurement exist under the Agreement on Internal Trade and may exist under other trade agreements. If the above exemptions are warranted supporting documents must be completed and approved by the Board.

Contract Management

- Payments for goods and services must be made to the terms of the contract.
- There must be clear terms of reference which include the project scope, it's objectives and background, the expected measurable outcomes, the full responsibility of CLC, timing targets, and progress reporting.
- Expenses must be claimed per the CLC Expenses Policy and must be verified for their appropriateness to the contract.
- Records of the procurement must be kept for seven years and comply with the CLC Records Retention Policy with respect to confidentiality.
- CLC will monitor possible conflicts of interest between CLC staff, it's advisors, consultants, and other suppliers. Those individuals must declare conflicts of interest to be evaluated and mitigated.

Definitions.

“Accountability” means the obligation of an employee, agent or other person to answer for or be accountable for, work, action or failure to act following delegated authority.

“Agreement” means the formal written document that will be entered into at the end of the procurement process.

“Approval Authority” means the authority delegated by the Organization to a person designated to occupy a position to approve on its behalf one or more procurement functions within the plan-to-pay cycle up to specified dollar limits subject to the applicable legislation, regulations and procedures in effect at such time.

“Award” means the notification to a proponent of acceptance of a proposal, quotation or tender that brings a contract into existence.

“Bid” means a proposal, quotation or tender submitted in response to a solicitation from a contracting authority. A bid covers the response to any of the three principal methods of soliciting bids, i.e., Request for Proposal, Request for Tender and Request for Quotation.

“Bid Protest” means a dispute raised against the methods employed or decisions made by a contracting authority in the administration of a proposal, tender, or quotation process.

“Chief Executive Officer” means the head of operations at Organizations.

“Competitive Procurement” means a set of procedures for developing a procurement contract through a bidding or proposal process. The intent is to solicit fair, impartial, competitive bids.

“Conflict of Interest” means a situation in which financial or other personal considerations have the potential to compromise or bias professional judgment and objectivity. An apparent conflict of interest is one in which a reasonable person would think that the professional’s judgment is likely to be compromised.

“Construction” means construction, reconstruction, demolition, repair or renovation of a building, structure or other civil engineering or architectural work and includes site preparation, excavation, drilling, seismic investigation, the supply of products and materials, the supply of equipment and machinery if they are included in and incidental to the construction, and the installation and repair of fixtures of a building, structure or other civil engineering or architectural work, but does not include professional consulting services related to the construction contract unless they are included in the procurement.

“Consultant” means a person or entity that under an agreement, other than an employment agreement, provides expert or strategic advice and related services for consideration and decision-making.

“Consulting Services” means the provision of expertise or strategic advice that is presented for consideration and decision-making.

“Contract” means an obligation, such as an accepted offer, between competent parties upon a legal consideration, to do or abstain from doing some act. It is essential to the creation of a contract that the parties intend that their agreement shall have legal consequences and be legally enforceable. The essential elements of a contract are an offer and an acceptance of that offer; the capacity of the parties to contract; consideration to support the contract; a mutual identity of consent or consensus ad idem; legality of purpose; and sufficient certainty of terms.

“Designated broader public sector organization” means an Organization to which section 12 of the *Broader Public Sector Accountability Act, 2010* applies.

“Electronic Tendering System” means a computer-based system that provides suppliers with access to information related to open competitive procurements.

“Evaluation Criteria” means a benchmark, standard or yardstick against which accomplishment, conformance, performance and suitability of an individual, alternative, activity, product or plan is measured to select the best supplier through a competitive process. Criteria may be qualitative or quantitative in nature.

“Evaluation Matrix” means a tool allowing the evaluation team to rate supplier proposals based on multiple pre-defined evaluation criteria.

“Evaluation Team” means a group of individuals designated/responsible to make award recommendation. The evaluation team would typically include representatives from the Organization and subject matter expert(s). Each member participates to provide business, legal, technical and financial input.

“Goods” means moveable property (including the costs of installing, operating, maintaining or manufacturing such moveable property) including raw materials, products, equipment and other physical objects of every kind and description whether in solid, liquid, gaseous or electronic form, unless they are procured as part of a general construction contract.

“Goods and Services/Goods or Services” means all goods and/or services including construction, consulting services and information technology.

“Organizations” means all organizations listed in Application and Scope, Section 2.

“Information Technology” means the equipment, software, services and processes used to create, store, process, communicate and manage information.

“Invitational Competitive Procurement” means any form of requesting a minimum of three (3) qualified suppliers to submit a written proposal in response to the defined requirements outlined by an individual/organization.

“Non-discrimination” means fairness in treating suppliers and awarding contracts without prejudice, discrimination or preferred treatment.

“Offer” means a promise or a proposal made by one party to another, intending the same to create a legal relationship upon the acceptance of the offer by the other party.

“Procurement” means acquisition by any means, including by purchase, rental, lease or conditional sale, of goods or services.

“Procurement Card (P-Card)” means an organizational credit card program primarily used for low-cost, non-inventory, non-capital items, such as office supplies. The card allows procurement or field employees to obtain goods and services without going through the requisition and authorization procedure. P-cards may be set up to restrict use to specific purchases with predefined suppliers or stores, and offer central billings.

“Procurement Policies and Procedures (PPP)” means a framework and mandatory requirements to govern how Organizations conduct sourcing, contracting and purchasing activities, including approval segregation and limits, competitive and non-competitive procurement, conflict of interest and contract awarding.

“Procurement Value” means the estimated total financial commitment resulting from procurement, taking into account optional extensions.

“Purchase Order (PO)” means a written offer made by a purchaser to a supplier formally stating the terms and conditions of a proposed transaction.

“Request for Expressions of Interest (RFEI)” means a document used to gather information on supplier interest in an opportunity or information on supplier capabilities/qualifications. This mechanism may be used when a BPS organization wishes to gain a better understanding of the capacity of the supplier community to provide the services or solutions needed. A response to a RFEI must not pre-qualify a potential supplier and must not influence their chances of being the successful proponent on any subsequent opportunity.

“Request for Information (RFI)” means a document issued to potential suppliers to gather general supplier, service or product information. It is a procurement procedure whereby suppliers are provided with a general or preliminary description of a problem or need and are requested to provide information or advice about how to better define the problem or need, or alternative solutions. A response to an RFI must not pre-qualify a potential supplier and must not influence their chances of being the successful proponent on any subsequent opportunity.

“Request for Proposal (RFP)” means a document used to request suppliers to supply solutions for the delivery of complex products or services or to provide alternative options or solutions. It is a process that uses predefined evaluation criteria in which price is not the only factor.

“Request for Supplier Qualifications (RFSQ)” means a document used to gather information on supplier capabilities and qualifications, with the intention of creating a list of pre-qualified suppliers. This mechanism may be used either to identify qualified candidates in advance of expected future competitions or to narrow the field for an immediate need. Organizations must ensure that the terms and conditions built into the RFSQ contain specific language that disclaims any obligation on the part of the Organization to call on any supplier to provide goods or services as a result of the pre-qualification.

“Requisition” means a formal request to obtain goods or services made within an Organization, generally from the end-user to the procurement department.

“Segregation of Duties” means a method of process control to manage conflict of interest, the appearance of conflict of interest, and errors or fraud. It restricts the amount of power held by any one individual. It puts a barrier in place to prevent errors or fraud that may be perpetrated by one individual.

“Services” means intangible products that do not have a physical presence. No transfer of possession or ownership takes place when services are sold, and they (1) cannot be stored or transported, (2) are instantly perishable, and (3) come into existence at the time they are bought and consumed.

“Supplier/Vendor” means any person or organization that, based on an assessment of that person’s or organization’s financial, technical and commercial capacity, is capable of fulfilling the requirements of procurement.

“Supply Chain Activities” means all activities whether directly or indirectly related to organizational plan, source, procure, move, and pay processes.

“Trade Agreements” means any applicable trade agreement to which Ontario is a signatory. “Supplier Debriefing” means a practice of informing a supplier why their bid was not selected upon completion of the contract award process.

COMMUNITY LIVING CAMBRIDGE

Procurements Policy – SCHEDULE A

Approval Authority Schedule

Goods, Non-Consulting Services, and Construction:

Position	Function	Means of Procurement	Procurement Value	Approval Authority	Competitive Procurement
Staff		Petty cash/expenses	\$0 - \$300		No
Staff	Requisition/receive	Purchase Order	\$0 - \$500	Manager	No
Managers	Budget/Commit/receive	Purchase Order	\$0 – 3,000	Operational Director if budgeted, ED if unbudgeted	No
Managers	Budget/Commit	Contract/Blanket Purchase Order	\$3,000 - \$15,000	Operational Director if budgeted, ED if unbudgeted	Recommended Invitational Competitive
Operational Directors	Budget/Commit	Contract/Blanket Purchase Order	\$15,000 - \$49,999	ED if un budgeted	Invitational Competitive
Executive Director	Commit	Contract/Blanket Purchase Order	\$50,000 – \$99,999	Board if un budgeted	Invitational Competitive
Board of Directors	Commit	Purchase Order /Contract	>\$100,000		Open Competitive

Consulting Services

Total Procurement Value	Means of Procurement
\$0 - \$99,999	Invitational or Open Competitive
>\$100,000	Open Competitive

