F-017 Procurement policy

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Approver:	Colleen Kelly, Melissa Page	**Approver:**	Colleen Kelly, Melissa Page
Title:		**Title:**	

POLICY

To ensure that publicly funded goods and services, including construction, consulting services and information technology are acquired through a process that is open, fair and transparent and seeks to achieve the best value for the funds expended.

PURPOSE

To outline responsibilities through each stage of the procurement process.

SCOPE

All employees, independent contractors, consultants, vendors, students, and volunteers.

RESPONSIBILITY

CLH Developmental Support Services (CLH DSS) is designated as a broader public sector organization and, as such, complies with the Broader Public Sector Accountability Act (BPSAA) and its related Directives. This includes the Broader Public Sector (BPS) Procurement Directive. Accordingly, this policy embodies the principles of the BPS Procurement Directive. It also adopts the Supply Chain Code of Ethics and the 25 mandatory requirements of the Directive.

PROCEDURE

This policy is based on five key principles, as set out in the BPS Directive, to achieve value for money while following a process that is fair and transparent

- Accountability – CLH DSS will be accountable for the results of its procurement decisions and the appropriateness of the process
- Transparency – CLH DSS will be transparent to all vendors. Wherever possible, vendors must have equal access to information on procurement opportunities, processes and results
- Value for Money – CLH DSS will maximize public funds and aim to deliver goods and services at the optimum total lifecycle cost
- Quality Service Delivery – CLH DSS's procurement activities will result in the delivery of the right product, at the right time, in the right place
- Process Standardization – CLH DSS is committed to standardizing processes to remove inefficiencies and create a level playing field

SUPPLY CHAIN CODE OF ETHICS

CLH DSS adheres to the following Ontario Broader Public Sector Supply Chain Code of Ethics.

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Ontario Broader Public Sector (BPS)
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 vendors. 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, purchasing and contracting 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.

PLANNING

CLH DSS will undertake a planning process as follows related to the acquisition process. The following planning requirements will be addressed and documented for all procurement activities:

- Early identification of needs
- Clear definition of requirements
- Justification for the acquisition
- Availability of necessary human, financial, technical and accommodation resources
- Consideration of alternative ways to satisfy the needs and selection of the most appropriate procurement option
- An estimate undertaken of the procurement value, and
- Necessary authorization to proceed in accordance with the agency's delegation of authority.

SEGREGATION OF DUTIES

CLH DSS segregates at least three of the five functional procurement roles: Requisition, Budgeting, Commitment, Receipt and Payment. For each procurement transaction, responsibilities for at least three of these roles lie with different individuals.

APPROVAL AUTHORITY SCHEDULES & THRESEHOLDS

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The authority schedules and thresholds below are approved by the Board of Directors. CLH DSS does not reduce the overall value of procurement (e.g. dividing a single procurement into multiple procurements) in order to circumvent the approval requirements.

APPROVAL SCHEDULE – CONSULTING SERVICES

Procurement Value	Procurement Method	Authority
$0 up to but not including $139,000	Invitational Competitive	Executive Director
Any value but mandatory for purchases over $139,000	Open Competitive	Executive Director
$0 up to but not including $1,000,000	Non – Competitive*	Executive Director
$1,000,000 or more	Non – Competitive*	Board of Directors

**Exemption – based only*

APPROVAL SCHEDULE - GOODS, NON- CONSULTING SERVICES & CONSTRUCTION

Procurement Value	Means of Procurement	Authority
Up to $500	P-card or Purchase Orders	Supervisor
Up to $2,500	P-card or Purchase Orders	Manager
Up to $5,000	P-card or Purchase Orders	Passport coordinator (for passport purchases only)
Up to $50,000	P-card or Purchase Orders	Directors and Property and Procurement Manager
Up to $139,000	P-card or Purchase Orders (Invitational competitive)	Executive Director
$139,000 or more	Open competitive process	Board of Directors

COMPETITIVE PROCUREMENT THRESHOLDS

The competitive procurement thresholds below are as directed by the BPS Directive. CLH DSS does not reduce the overall value of procurement (e.g. dividing a single procurement into multiple procurements) in order to circumvent the requirements.

When determining the value of the procurement, for purposes as outlined in the

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below thresholds, do not take into consideration applicable taxes.

COMPETITIVE PROCUREMENT THRESHOLD – CONSULTING SERVICES

Total Procurement Value	Procurement Method
$0 up to but not including $139,000	Invitational or Open Competitive
$139,000 or more	Open Competitive

COMPETITIVE PROCUREMENT THRESHOLD – GOODS, NON-CONSULTING SERVICES and CONSTRUCTION

Total Procurement Value	Procurement Method
$0 up to but not including $10,000	Best practice of two quotes, or at discretion of approval authority.
$10,000 up to but not including $139,000	Invitational Competitive (minimum of three written quotes)
$139,000 or more	Open Competitive Process

RESEARCH AND QUALIFICATION

Information Gathering
Where results of informal supplier or product research are insufficient, formal processes such as a Request for Information (RFI) or Request for Expression of Interest (RFEI) may be used if warranted, taking into consideration the time and effort required to conduct them. A response to RFI or RFEI must not be used to pre-qualify a potential supplier and must not influence the chances of the participating suppliers from becoming the successful proponent in any subsequent opportunity.

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

TENDERING AND CONTRACTS

Posting Competitive Procurement Documents
Calls for open competitive procurements must be made through an electronic tendering system or website that is readily accessible by all vendors.

Timelines for Posting Competitive Procurements
Suppliers must be provided with a minimum response time of 15 calendar days for procurement of goods and services valued at $139,000 and up to $368,000. For procurements of high complexity, risk and /or dollar value allow a minimum response time of 30 calendar days.

Bid Receipt

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Bid submission date and closing time must be clearly stated in competitive procurement documents. The closing date must be on a normal working day (Monday to Friday, excluding provincial and national holidays). Submissions that are delivered after closing time must be returned unopened.

Evaluation Criteria

- Evaluation criteria is developed, reviewed and approved by the appropriate authority prior to commencement of the competitive procurement process.
- Competitive procurement documents clearly outline mandatory, rated and other criteria that will be used to evaluate submissions, including weight of each criterion.
- Mandatory criteria (e.g. 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.
- CLH DSS will not discriminate or exercise preferential treatment in awarding a contract to a supplier as a result of a competitive procurement process.
- The evaluation criteria are to be altered only by means of addendum to the competitive procurement documents.
- CLH DSS may request suppliers to provide alternative strategies or solutions as a part of their submission. Criteria to evaluate alternative strategies or solutions must be established prior to the commencement of the competitive procurement process. Alternative strategies or solutions must not be considered unless they are explicitly requested in the competitive procurement documents.

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

Evaluation Team

- Competitive procurement processes require an evaluation team responsible for reviewing and rating the compliant bids.
- Evaluation team members are aware of the restrictions related 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 non-disclosure of confidential information agreement.

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 submissions is fair, factual, and fully defensible.

Winning Bid

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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

Non-Discrimination
CLH DSS does not discriminate or exercise preferential treatment in awarding a contract to a supplier as a result of the competitive procurement process.

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. form of agreement was not released with the procurement document), the agreement with the successful supplier must be defined formally in a signed written contract before the provision of supplying goods or services commences.

Termination Clauses
All contracts must include appropriate cancellation or termination clauses.

When conducting complex procurements, consider whether to use contract clauses that permit cancellation or termination at critical project life-cycle stages.

Term of Agreement Modifications
The terms of the agreement and any options to extend the agreement must be set out in the competitive procurement documents. Approval by an appropriate authority must be obtained before executing any modifications to the term of the 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.

Contract Award Notification
For procurements valued at $139,000 or more, CLH DSS will post, in the same manner the procurement documents were posted, contract award notification. The notification must be posted after the agreement with the successful supplier is executed. Contract award notification must list the name of the successful supplier, agreement start and end dates, and any extension options.

Supplier Debriefing
For procurements valued at $139,000 or more, all unsuccessful suppliers must be informed about their entitlement to a debriefing.

Unsuccessful suppliers have up to 60 calendar days following the date of the contract award notification to request a debriefing.

Non-Competitive Procurement
CLH DSS will employ a competitive procurement process to achieve optimum value for money. It is recognized, however, that special circumstances may require non-competitive procurement.

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Non-competitive procurement will only be used in situations outlined in the exemption, exception, or non-application clauses of applicable trade agreements.

Prior to commencement of non-competitive procurement, supporting documentation will be completed and approved by an appropriate authority.

A non-competitive procurement may also be used where only one supplier is able to meet the requirements of a procurement – known as sole-source situations. Some examples of these situations would be for product compatibility, procurement of real property, for work to be performed on a leased building where work must be done by lessor, for the purchase of original works of art.

There are also exceptions known as single-source situations. One circumstance considered a single-source situation would be where an unforeseeable situation of urgency exists and goods or services cannot be obtained in time by means of open procurement – note, failure to plan and allow sufficient time for a competitive procurement process does not constitute an unforeseeable situation of urgency.

Executing the Contract
The agreement with the successful supplier must be formally defined in a signed written contract before the provision of supplying goods and services commences.

Where an immediate need exists for goods or services, and the contract cannot be finalized as described, an interim purchase order may be used. The justification of such a decision must be documented and approved by the appropriate authority.

Prior to the commencement of any contract CLH DSS ensures:

- Contracts are entered into when there is an advantage to CLH DSS by doing so.
- A full range of potential arrangements is investigated before entering into an exclusive contract.
- Legal assistance or advice is obtained if necessary for any non-standard clauses.
- All contracts entered into by CLH DSS are reviewed and approved by the appropriate approval authority. Special authorization is required if the amount of the contract is over a certain limit or an unbudgeted expense. Only individuals with the appropriate level of authority can approve and sign a contract.
- As best practice, the contractor must provide proof of liability insurance and WSIB coverage where appropriate.
- CLH DSS ensures that a completed copy of the final contract is made available to all other signatories.
- All Purchase of Service contracts must meet CLH DSS conflict of interest policy.
- At the minimum, each Purchase of Service contract entered into by CLH DSS, shall provide the following information:
    - the nature of the service
    - the financial obligations agreed to
    - the period of time that the contract covers
    - the invoicing procedure, or a payment schedule
    - a termination clause
    - authorization by Executive Director, Property and Procurement Manager or Director on behalf of CLH DSS

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Contract Management

Procurements and resulting contracts will be managed responsibly and effectively by the individual procuring the goods or services. This includes but is not limited to:

- Review and plan for the renewal or tendering of the contract
- Payments are made in accordance with the provisions of the contract. All invoices will contain detailed information sufficient to warrant payment. Any overpayment will be recovered in a timely manner.
- Assignments must be properly documented. Supplier performance must be managed and documented and any performance issues addressed.
- Include a dispute resolution process in contracts.
- For services:
    - 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 claims and reimbursement rules compliant with the BPS Expenses Directive 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.

Documentation Requirements

All procurement and contract management documentation must be compiled by the Property and Procurement Manager, Procurement Coordinator, or person procuring the goods/services, and retained for a minimum of seven years from the end of a contract as follows:

- Copy of the procurement justification or business case if applicable
- 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, quotations, proposals or tenders.
- Copies of all requests for qualifications, quotations, proposals or tenders used to qualify and select the vendor.
- For the successful vendor(s), conflict of interest declaration in accordance with this best practice.
- Information regarding any issues that arose during the procurement process, and how the issues were resolved.
- Information regarding all vendor debriefings.
- Copies of all contract award notifications.
- Copies of purchase order which outlines the scope of work including details such as make and model numbers, dimensions, drawings, materials and other descriptions.
- Copies of all approved contracts including which goods, services, or consulting services are to be provided and paid.
- Information from the appropriate delegation of authority regarding all uses of any exceptions to the service provider’s policy pertaining to the procurement of goods, services and consulting services.

Conflict of Interest

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CLH DSS will monitor any conflict of interest that may arise as a result of members of the organization, advisors', external consultants', or suppliers' involvement with the supply chain activities. Individuals involved with the supply chain activities must declare actual or potential conflicts of interest. Where a conflict of interest arises, it must be evaluated, and appropriate mitigating action must be taken.

CLH DSS will 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.
- Reserves the right of the agency to determine whether any situation or circumstance constitutes a conflict of interest.
- Requires prospective vendors to participate in a procurement process to declare any actual or potential conflict of interest.
- Reserves the right to disqualify prospective vendors from a procurement process due to conflict of interest.
- Requires vendors to avoid any conflict of interest during the performance of their contractual obligations.
- Requires vendors to disclose any actual or potential conflict of interest arising during the performance of a contract.
- Reserves the right to prescribe the manner in which a vendor should resolve a conflict of interest.
- Allows the termination of 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 agency.
- Allows the termination of a contract where a conflict of interest cannot be resolved.

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

COMMUNICATION:
This policy is to be communicated with all CLH DSS staff and posted on the CLH DSS website.

EVALUATION:
The Property and Procurement Manager, along with the Procurement Coordinator will ensure that this policy is updated and aligned with current agency practices annually and in accordance with the BPS Directives.

REFERENCE:
Broader Public Sector Accountability Act, 2010 – Broader Public Sector Procurement Directive April 13, 2026

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