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LEAD:	DIRECTOR OF CORPORATE SERVICES
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PROCUREMENT

PREAMBLE

The Procurement principle and processes in this document are consistent with the practices of the Broader Public Sector (BPS) issued by the Management Board of Cabinet - Effective July 01, 2011.

It should be noted that the (BPS) Procurement Directive replaces the MCYS Procurement Directive dated April 1, 2009.

The BPS Procurement Directive can be found at the link below:

[http://www.doingbusiness.mgs.gov.on.ca/mbs/psb/psb.nsf/Attachments/BSPProcDir-pdf-eng/\\$FILE/bps_procurement_directive-eng.pdf](http://www.doingbusiness.mgs.gov.on.ca/mbs/psb/psb.nsf/Attachments/BSPProcDir-pdf-eng/$FILE/bps_procurement_directive-eng.pdf)

Any further details on the Procurement Processes in this document can be accessed at the following link:

[http://www.doingbusiness.mgs.gov.on.ca/mbs/psb/psb.nsf/Attachments/BSPProc-Toolkit-pdf-eng/\\$FILE/bpsproctoolkit-eng.pdf](http://www.doingbusiness.mgs.gov.on.ca/mbs/psb/psb.nsf/Attachments/BSPProc-Toolkit-pdf-eng/$FILE/bpsproctoolkit-eng.pdf)

Information related to Supply Chain Ontario and applicable Trade Agreements (CFTA & CETA) can be found at the following link:

<https://www.doingbusiness.mgs.gov.on.ca/mbs/psb/psb.nsf/English/forbuyers-login>

STANDARD:

Chatham-Kent Children's Services' (CKCS) shall 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.

PURPOSE

The purpose of this procurement standard is to ensure that all goods and services achieve value for money and are procured by the Agency in an open, fair and transparent manner. This standard is based on the principles outlined below:

- **Accountability**
The Agency will be accountable for the results of its procurement decisions and the appropriateness of the processes.
- **Transparency**
The Agency will be transparent to all stakeholders. Wherever possible, stakeholders will have equal access to information on procurement opportunities, processes and results.
- **Value for Money**
The Agency 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.
- **Quality, Service, Delivery**
Front-line services provided by the Agency will receive the right product, at the right time, in the right place.
- **Process Standardization**
Standardized processes remove inefficiencies and create a level playing field.

APPLICATION

1. This standard applies to Board Members, Management and employees (or their equivalent) of the Agency.
2. This standard applies to all goods, construction and services, including, but not limited to, IT and Consulting services acquired by the Agency.
3. The Board of Directors will have ultimate responsibility for all purchases entered into by Chatham-Kent Children's Services. The Board shall delegate this responsibility to the Executive Director (ED) through the approval of the annual Budget and Service Plan or by specific resolution.
4. Procurements with respect to and in support of Indigenous Peoples are exempt from the requirements of Canadian Free Trade Agreement (CFTA) and Comprehensive Economic Trade Agreement (CETA).

EXCEPTIONS & EXEMPTIONS

1. Although the Agency employs a competitive procurement process to achieve optimum value for money, it is recognized that certain circumstances and activities may require the Agency to use non-competitive procurement. The circumstances and activities that will be excluded from the competitive procurement requirements of this standard are noted below. These exceptions are

generally consistent with the *Canadian Free Trade Agreement (CFTA)* and the *Comprehensive Economic Trade Agreement (CETA)* or other trade agreements.

2. Note, the exception is for a non-competitive procurement of the good or service that falls within the categories listed and is not an exemption with respect to the administration, documentation, contract management, or other requirements of the procurement standard.

Licensed Professional and Specific Services for Agency Clients

1. The procurement of services from licensed professionals including medical doctors and dentists, pharmacists, nurses, psychologists, and lawyers, accountants, as well as boarding rate expenditures including reimbursable expenses paid to Foster Parents and Outside Paid Resources and support services for the case of children and youth that have been placed by the Agency as well as services for other individuals and families who are clients of the Agency.

Single Source Supply

1. Where only one supplier is available to meet the requirements of the Agency procurement including the following circumstances:
 - To ensure compatibility with existing products, to recognize exclusive rights, such as exclusive licenses, copyright and patent rights, or to maintain specialized products that will be maintained by the manufacturer or its representative;
 - Exemption for existing vendors (eg Software) where procurement would cause significant duplication of costs for the Agency (as specified in the CFTA)
 - Where there is an absence of competition where the goods or services can be supplied only by a particular supplier and no alternative or substitute exists;
 - For work to be performed on behalf of the Agency through a building lease agreement where the lessor will invoice costs back to the lessee;
 - For work to be performed according to provisions of a warranty or guarantee held in respect of the original work;
 - For the procurement of a prototype or a first good or service to be developed that may be needed for research purposes, a particular study or other original purposes;
 - For the purchase of goods under duress such as bankruptcy or receivership, where the agency has clearly documented the advantageous value that would be received;
 - For the procurement of real property.

Limiting Circumstances

1. Limiting circumstances may exist where inherent factors limit the procurement process that can be undertaken. Under limiting circumstances, the Agency can deviate from competitive procurement requirements provided it does not do so for the purpose of avoiding competition between suppliers or in order to discriminate against suppliers. Limiting circumstance may include:
 - Where goods or consulting services regarding matters of a confidential or privileged nature are to be purchased and the disclosure of those matters through an open tendering process

could reasonably be expected to compromise government confidentially, cause economic disruption or otherwise be contrary to the public interest;

- Where compliance with open tendering provisions would interfere with the Agency's ability to maintain security or order;
- In the absence of a receipt of any bids in response to a call for tenders made in accordance with the directive.

Emergency Situations

1. For the purpose of this procedure, an "Emergency" means a situation where the immediate purchase of goods and services is essential to prevent serious delays in service delivery or to prevent or remedy damage to agency property or to restore an essential service.
2. An "Emergency" includes an imminent or actual danger to the life, health or safety of an official or an employee while acting on the agency's behalf (e.g. emergency boiler repairs or replacement), an imminent or actual danger of injury to or destruction of real or personal property belonging to the agency.
3. Under emergency circumstances, the Executive Director has the authority to take the necessary steps to address the emergency and will subsequently inform the Board of Directors of the actions taken setting out the details of any purchases made pursuant to this authority and the circumstances justifying the action taken.
4. Where the Agency has relied on an exception or exemption to this standard, the rationale for the exception or exemption will be formally documented.
5. Exemptions and exceptions relate to the procurement of the goods or services only. All other requirements of this standard apply, including documentation, contract management, supplier management etc.

DEFINITIONS

"Goods and services" means any goods, construction, and services, including but not limited to IT and consulting services.

"Members of an Organization" mean all trustees, members of the board of directors, senior executives, and employees of the Organization, or their equivalent.

"Supply Chain Activities" means all activities directly or indirectly related to the Organization's planning, sourcing, procurement, moving, and payment processes.

"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.

“Best value” means the optimal balance of performance and cost determined in accordance with a pre-defined evaluation plan; best value may include a time horizon that reflects the overall life cycle of a given asset.

“Blanket purchase contract” means any contract for the purchase of goods and services which will be required frequently or repetitively but where the exact quantity of goods and services required may not be precisely known or the time period during which the goods and services are to be delivered may not be precisely determined.

“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.

“Executive Director (ED)” 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. A consultant provides expert or strategic advice related to operational consideration and decision-making and not to clinical or case management decision making. A consultant does not include services associated with implementing projects once a strategic decision has been made by Management.

“Consulting Services” means the provision of expertise or strategic advice that is presented for consideration and decision-making. Consulting Services provide advice for operational consideration and decision making and not in relation to clinical or case management services.

“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.

“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 pre-defined suppliers or stores and offer central billings.

“Procurement Standards 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.

“Professional service supplier” means a supplier of services requiring professional skills for a defined service requirement including: Lawyers, Psychologists, management and financial consultants; and firms or individuals having specialized competence in planning or other disciplines.

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

“Purchase requisition” means a written or electronically produced request in an approved format and duly authorized to obtain goods or services.

“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 will not pre-qualify a potential supplier and will 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 will not pre-qualify a potential supplier and will 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 will 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.

“Sealed bid” means a formal sealed response received as a part of a quotation, tender or proposal.

“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.

“Vendor of Record” (VOR) is a procurement arrangement resulting from a fair, open, transparent and competitive process that authorizes one or more qualified vendors to offer specific goods or services for a defined period of time on terms and conditions, including pricing and/or discounting, as set out in a particular VOR agreement.

CODE OF ETHICS

Goal: *To ensure an ethical, professional and accountable BPS supply chain. The Agency adopts the following Code of Ethics which is based on the Ontario BPS Supply Chain Code of Ethics:*

Personal Integrity and Professionalism

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

Accountability and Transparency

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

Compliance and Continuous Improvement

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

The Agency will ensure that the code is available and visible to all employees of the organization and to suppliers and stakeholders involved with the Supply Chain process via the Agency's intranet and external website.

PROCEDURE:

BPS PROCUREMENT DIRECTIVE MANDATORY REQUIREMENTS

Segregation of Duties

1. The Agency will segregate at least three of the five functional procurement roles: Budgeting, Commitment, Requisitioning, Receipt and Payment. The roles will lie with different departments or, at minimum, with different individuals.
2. The roles will lie with the following individuals within the Agency:

Procurement Roles	Agency Position	Documentation
Budgeting	Board of Directors	Agency budget as approved by the Board of Directors
Commitment	Management, Directors or Executive Director per Approval Authority Schedule	A signed contract, purchase order, or document noting commitment made
Requisition	Employee of the Agency	Documentation per procurement thresholds.
Receipt	Employee of the Agency	Includes packing slip or other document that includes the pertinent procured information that is signed by the person who can confirm what has been received.
Payment	Financial Coordinators	Invoice authorized for payment per the delegation of financial authority and matched to commitment document and receipt.

Approval Authority (Schedule) for all Procurement Activities

1. The Executive Director or authorized designate shall be responsible for approval of all purchases within the approved Budget.

Purchase Amount (excl. taxes) for Competitive Award of Goods, Non-Consulting Services and Consulting Services	Delegation of Financial Authority (DOFA) to approve a Competitive Award for Goods, Non-Consulting Services and Consulting Services
Up to \$1,000	Supervisors
Up to \$10,000	Managers, Procurement Supervisor, Early Years/Best Start Supervisor, Finance Supervisor, IT Support Technician 3
Up to \$25,000	Director
Up to \$500,000	Executive Director
\$500,000 and over	Board of Directors

2. Prior to commencement, any procurement will be approved in accordance with the Approval Authority Schedule. The approval stage must always be up one approval level (in compliance with the schedule threshold values) from the initiator.
3. The Approval Schedule will be approved by the Agency's Board of Directors.
4. A CKCS Procurement Request Approval Form or equivalent documentation shall be used for initiating and tracking larger project requests in excess of \$25,000 (pre-tax) through approval process. This form or supporting documentation will become part of the Procurement Project File.

Non-Competitive Procurement

1. For any non-competitive procurement of where the competitive procurement process should have been leveraged, the level of approval authority must shift one level higher than the level in the Approval Authority Schedule prior to commencement of project. These non-competitive circumstances would fall under the Exceptions and Exemptions section of this standard.

Procurement Thresholds

1. The total value of procurement includes cost of freight and installation, but not taxes. For multi-year procurements, the calculation will be based on the total projected value for the entire period of the anticipated agreement including renewal options; multiple purchases will not be used to circumvent competitive procurements. Under CFTA, thresholds will be subject to reviews every two years and

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subject to inflationary rate changes. Adjustments will be made to the tables below should the directed threshold values decrease.

- For procurements exceeding CETA thresholds, opportunities will be posted in accordance with the trade agreement standards.

Goods, Non-Consulting Services and Construction		
Total Procurement Value	Means of Procurement	Alternate Means
\$0 - \$9,999	Petty cash, Agency credit card, purchase order, telephone order, vendor estimate, verbal order, property related service calls	Invitational, Open
\$10,000 - \$24,999	1 supplier quotation	Invitational, Open
\$25,000 - \$99,999	Invitational competitive (minimum 3 suppliers invited to bid)	Invitational, Open
\$100,000 or greater	Open competitive process	None

Consulting Services		
Total Procurement Value	Means of Procurement	Alternate Means
\$ 0 - \$99,999.99	Invitational OR open competitive process (minimum 3 suppliers invited to bid)	N/A
\$100,000 or greater	Open competitive	N/A

Shared Services Program – Group Purchasing and Contract Management

1. CKCS participates in a Group Purchasing and Contract Management Shared Services Program through OACAS (Ontario Association of Children's Aid Societies) and a designated non-profit procurement provider. This agreement is managed through a master contract with OACAS as well as a local site agreement. The purpose of this program is to leverage the sector-wide buying power, ensuring adherence to Directives, Trade Agreements and Policy, as well as assuming some of the administrative workload on behalf of the organization.
2. For single transaction procurements over \$5,000 or multi-year contracts more than \$25,000, the procurement provider may be used for conducting procurement on behalf of the organization. In some cases, there are sector wide procurement initiatives for specific goods and services that the organization may elect to participate in as well should there be a need.
3. CKCS will still be responsible for working with the procurement provider in development of the RFX (Request For x = Proposal, Information, Quote, Qualification or Interest) as well as the assessment of the responses and proposals from the vendor community.
4. When these shared procurement services are used, all documentation related to the process, including contracts, will be maintained by the service provider for the designated record retention period. Access to the contract registry is provided to CKCS through a secure internet site.

Information Gathering

1. The Agency may choose to use a formal process such as Request for Information (RFI) or Request for Expression of Interest (RFEI), where the results of informal information gathering are not sufficient and where the time and effort required conducting such processes is seen as warranted.
2. An RFI and RFEI will not be used to prequalify vendors. An RFI or RFEI may not alter or influence the opportunity for a participating supplier to become the successful bidder in any subsequent opportunity.
3. Information gathered during an RFI and RFEI process is subject to all documentation management requirements of this standard.

Supplier Pre-Qualification

1. The Agency, at its option, may choose to pre-qualify vendors. The pre-qualification process requires an assessment by a Selection Committee (composed of a minimum of three employees of the Agency management team) of the possible bidders based on pre-established criteria which may include:
 - a. Brief outline of the size of the firm and range of experience with not-for-profit organizations.

- b. Experience in providing services to children's services agencies.
 - c. Specific qualifications of staff that could be assigned to the providing services to Agency.
2. The firms will be required to submit a letter of qualification which responds specifically to the pre-established criteria. All appropriate documentation throughout the selection process will be retained.
 3. Suppliers may be prequalified to:
 - Gather information about supplier capabilities and qualifications for an immediate purchase
 - Gather information about supplier capabilities in advance of expected future competitive procurements
 4. The Agency recognizes that there is no obligation to purchase goods or services as the result of prequalification.

Competitive Procurement/Bid Documents

1. Competitive procurement/bid documents will be made available through an electronic tendering system that is readily accessible by all Canadian suppliers, such as the Ontario Public Buyers Association.
2. Response times for vendors to bid will be a minimum 15 days for procurements valued at \$100,000 or more. For procurements with a higher degree of complexity, risk or value, a minimum response time of 30 days is required. For procurements that meet CETA requirements, the minimum posting time is increased to 40 calendar days.
3. Competitive procurement/bid documents will:
 - Clearly identify bid submission date and time;
 - Include bid dispute resolution procedures;
 - Disclose evaluation criteria;
 - Will include mandatory, rated and other criteria that will be used in evaluation of submissions, including the weight of each criterion;
 - Maximum justifiable weight will be allocated to the cost/price component of the evaluation;
 - Criteria may not be structured to discriminate or provide preferential treatment to any supplier;
 - Mandatory criteria will be kept to a minimum to ensure that no bid is unnecessarily disqualified;
 - Clearly state that bids not meeting mandatory requirements will be disqualified;
 - Disclose that submissions received after the closing time will be returned unopened;
 - Disclose the methodology that will be used to evaluate bids, including the method of resolving a tie score;
 - Clearly state that alternative strategies or solutions will not be considered unless specifically requested in the procurement documents;
 - Include any options to extend the agreement.

4. A Competitive Procurement Bid/Documents Checklist shall be used to ensure all requirements above have been met.
5. Competitive procurement documents may request suppliers to provide alternative strategies or solutions as part of their submission. If such a request is included, the procurement documents will disclose the criterion that will be used to evaluate alternative strategies and solutions.

Evaluation of Bids

1. Evaluation of bids will be done using the Evaluation Handbook, Evaluation Team List and Contact Information and Evaluation Matrix which are located on the Procurement Drive and maintained by the Procurement Supervisor.
2. In the case of financial mathematical errors in a tender submission, CFTA allows for corrections of unintentional errors made prior to evaluation.
3. The Agency shall create evaluation teams for the purposes of evaluating competitive bids.
4. Evaluation Teams will:
 - Be aware of restrictions related to use of confidential and commercially sensitive information collected through the procurement process;
 - Refrain from engaging in activities that create or appear to create a conflict of interest;
 - Individually sign a conflict of interest declaration and non-disclosure agreement;
 - Individually and independently complete an evaluation matrix to rate each submission;
 - Ensure that all commentary or ratings are fair, factual and defensible;
 - Not discriminate or exercise preferential treatment in awarding contracts as the result of the competitive procurement process;
 - Declare the winning bid according to the supplier that receives the highest evaluation score and meets all the mandatory requirements set out in the procurement documents.

Establishing & Awarding Contracts

1. All procurement outcome notifications must be posted within 72 days of after contract award. For procurements over \$100,000, these notifications must be made publicly.
2. The agreement between the Agency and the successful supplier will be formally defined in a signed written contract before the provision or supplying of goods or services commences. Where the procurement documents included a form of agreement, such as a signed PO or a vendor agreement document, that form is to be used to finalize the agreement. Where an alternative strategy has been used and there is no form of agreement in the procurement documents, the agreement between the Agency and the vendor will be defined formally in a signed contract, before delivery of the goods or services.
3. Where an immediate need exists for goods or services, and the Agency and supplier are unable to finalize the contract as described above, an interim purchase order may be used. The justification of such decision will be documented and approved by the appropriate signing authority.

4. The Director of Service – Corporate, or designate, shall review all contracts or agreements involving financial risks or obligations exceeding \$25,000 before they are finalized, excluding residential care.

Contract Formulation

- Include appropriate cancellation or termination clauses;
 - shall be appropriately documented, often in standard contract format common to the type of service negotiated;
 - For complex procurements including provision of professional services, the Agency will consider inclusion of assessment, cancellation or termination clauses at specific life cycle stages of the procurement;
 - If tailored to meet specific circumstances, may be drafted with the assistance of external consultants and/or lawyers; and
 - shall stipulate the scope and timing of services provided, basic services, term of contract, general conditions, details of billings and payments, applicable taxation considerations, and methods to be used to resolve disputes which may arise.
1. All financial agreements shall include, at a minimum, the following:
 - the scope and timing of services provided;
 - details of billings and payment terms;
 - methods used to resolve disputes; and
 - applicable tax considerations.
 2. Contracts for Services will include:
 - Clear terms of reference including objectives, background, scope, constraints, staff responsibilities, tangible deliverables, timing, progress reporting, approval requirements and knowledge transfer requirements;
 - Where applicable, include rules for expense claim and reimbursement rules which are compliant with the Broader Public Sector Expense Directive.
 3. A Contract Formulation Checklist should be used to ensure all requirements have been met in accordance with this standard and BPS Directives.
 4. Modifications to terms of agreements:
 - May only be made when the terms of agreements and options to extend the agreement have been set out in the original procurement documents.
 - Will be approved by the appropriate authority.
 - Extensions of agreement beyond those set out in the procurement documents where the extension affects the value and/or stated deliverables of the procurement is a non-competitive procurement.
 - Service contracts will not exceed 5 years with option for only 1 renewal period upon successful contract service review. At the end of the contract or extension, BPS guidelines will be followed to establish and award a new contract under current standard.
 5. Contract awards will be publicly posted for procurements valued at \$100,000 or more in the same manner as the procurement documents.
 6. This award notification will:
 - a. Be posted after the agreement for delivery of goods/services has been finalized.

- b. Include the name of the successful supplier.
 - c. Include the start and end dates of the agreement.
 - d. Include information on extension options.
7. For procurements in excess of \$100,000, the Agency will inform all unsuccessful suppliers concerning their entitlement to a supplier debriefing. The Agency will allow unsuccessful suppliers 60 calendar days following the contract award notification date to request a briefing.

Non-Competitive Procurement

1. The Agency may engage in non-competitive procurements only under the circumstances outlined in “Application” and “Exemptions & Exceptions” of this Standard.
2. Non-competitive procurements require approval at a (minimum one) level higher on the Approval Authority Schedule than a competitive procurement of the same value. Supporting documentation will be completed and approved prior to commencement of non-competitive procurement.
3. For non-competitive procurements, the Agency will document:
 - The rationale for selection of the particular supplier or over available suppliers.
 - How fees charged are commensurate with services being procured.

Contract Management

1. The Agency shall ensure that:
 - All procurements and the resulting contracts are managed responsibly and effectively;
 - Payments are made in accordance with the terms of the contract; invoices will contain detailed information sufficient to warrant payment; and, any overpayments are recovered in a timely manner;
 - Supplier performance is managed and documented:
 - Contractual obligations and other vendor relationships shall be reviewed on a periodic basis (e.g. typically every three to five years) by the Executive Director (ED) and Senior Management in order to reassess value and service quality, as well as compatibility with the Agency’s operating objectives and principles. Documentation shall show that reviews have been done and when.
 - Contracts for services include terms that expense claims:
 - Are compliant with contract terms and with Broader Public Sector Expenses Directive;
 - Are claimed only as explicitly permitted by the contract.

Documentation and Record Retention

1. All procurement documentation and other pertinent information is retained in a recoverable format for seven (7) years including but not limited to:
 - Background information, Procurement justification or business case;
 - Information regarding all vendor consultations, including any requests for information, undertaken in the development of the procurement
 - All approvals;
 - Evidence of receipt of deliverables (authorized invoice in AP files, packing slips);

- Where purchase was via a Vendor of Record, information concerning the process used to select the vendor;
 - Advertisements, RFI, vendor prequalification;
 - All responses and submissions;
 - Vendor consultations;
 - Evaluations;
 - Awards;
 - Contracts;
 - Payments (AP files)
2. A Procurement File Checklist should be used to ensure all documentation requirements have been met and are included in the project file(s).
 3. The Agency shall handle, store and maintain Supplier confidential and commercially sensitive information:
 - Staff handling and having access to this information are aware of the Agency's requirement to protect commercially sensitive information.

Conflict of Interest

1. The Agency will monitor any conflict of interest (COI) that may arise as a result of any employee or other organization member, advisor, supplier or other stakeholder's involvement with supply chain activities. Individuals involved with supply chain activities will declare actual or potential conflicts of interest. Where a conflict arises, it will be evaluated by the Leadership Team and/or the Board of Directors and appropriate mitigating action taken.
2. A COI document must be signed by all staff/individuals/contractors/suppliers involved in the transaction, project details, selection process, payment authorization or any other potential declaration requirements.

Bid Dispute Resolution

1. Competitive procurement documents must outline bid dispute resolution procedures to ensure that any dispute is handled in an ethical, fair, reasonable, and timely fashion.
2. Dispute Resolution Procedures in the procurement documents shall include:
 - a) How long bidders have to file bid disputes in writing;
 - b) Who and where the bidder should send the written bid dispute;
 - c) How the Agency will proceed once a bid dispute is received along with resolution attempt stages and mediation action if necessary.
3. In the event of a bid dispute challenge, an independent and impartial process must be used to allow a vendor to challenge a procurement if the vendor believes it was not conducted in accordance with trade agreements.