

PROCUREMENT POLICIES AND PROCEDURES

Community Living Association For South Simcoe

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CLASS is obligated to follow the Broader Public Sector Procurement Directive established by The Government of Ontario for all publicly funded organizations that receive public funds of 10 million dollars or more. The purpose of this Directive is 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. This procurement policy outlines the responsibility of CLASS throughout each stage of acquisition and ensures that the procurement process is managed consistently.

Principles of the Procurement Process

The following are the five key principles that allow CLASS to achieve value for money while following the Ministry procurement directives.

Accountability: CLASS is held accountable for the results of our procurement decisions.

Transparency: The process must be transparent to stakeholders and wherever possible they must have equal access to information on procurement opportunities. This is done by announcing open competitions on our website.

Value for Money: CLASS must maximize the value they receive from the use of public funds. Goods and Services must deliver optimum total lifecycle cost.

Quality Service Delivery: Front-line services provided by CLASS, such as Case Management, Crisis and Access services must utilize the right product at the right time to perform their responsibilities.

Process Standardization: Standardized processes remove inefficiencies and create a level playing field.

Key Definitions;

1. *Goods and Services* means any goods, construction, and services, including but not limited to IT and consulting services.
2. *Members of the Organization* — means all trustees, members of the board of Directors, Senior Management, and employees of CLASS or their equivalent.
3. *Supply Chain Activities* means all activities directly or indirectly related to CLASS's planning, sourcing, procurement, moving, and payment process.

4. *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
5. "Non-consulting Service Provider" is an individual/company who contracts to provide services, other than consulting services to another individual or business. Examples may include "consultants" such as property brokers, head hunters or trainers.

SUPPLY CHAIN CODE OF ETHICS

CLASS has adopted the Ontario Broader Public Sector Supply Chain code of Ethics to ensure an ethical, professional and accountable 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 CLASS, 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.

Process for Procurement of Goods and Services

Approval Authority Schedule (AAS) with Competitive Procurement Thresholds

CLASS has an Approval authority Schedule (AAS) established for procurement of goods and services. This schedule identifies the authorities that are allowed to approve procurements for different dollar thresholds. The AAS has been approved by the Board of Directors.

CLASS will conduct an open competitive procurement process where the estimated value of goods or services is \$100,000 or more. A competitive process will take place for consulting services irrespective of the value.

GOODS, NON-CONSULTING SERVICES AND CONSTRUCTION		
Total Procurement	Means of Procurement	Approval Authority
\$0 - \$50	Petty Cash	Staff/Program Supervisor
\$0 to \$500	Purchase Order	Program Supervisor / Director
up to \$1,000	Purchase Order	Program Director
up to \$10,000	Purchase Order Invitational Competitive Procurement	Chief Operation Office Finance Director Executive Director
\$10,000 up to \$100,000	Invitational Competitive Procurement (minimum 3 suppliers are invited to submit a bid)	Senior Management will follow procurement process, but final decision is with the Executive Director.
\$100,000 or more	Competitive	Senior Management will follow procurement
CONSULTING SERVICES		
Total Procurement	Means of Procurement	Approval Authority
\$0 up to but not including \$100,000	Invitational or open competitive process	Executive Director
\$100,000 or more	Open competitive process	Board of Directors

All onetime/year end surplus purchases are through the approval of Senior Management. Program Supervisors are expected to note items that were refused on a basis other than financial to ensure the item is discussed at their team and a repeat request is not submitted in the future.

Segregation of Duties

CLASS must separate three of the five functional procurement roles: Requisition, Budgeting, Commitment, Receipt and Payment. Responsibilities for these roles must lie with different departments or personnel. Where it is not possible to segregate these roles, adequate compensating controls approved by an external auditor must be in place.

CLASS will not reduce the overall value of procurement (e.g. dividing a single procurement into multiple steps) in order to circumvent the approval requirements.

CONSTRUCTION - GOODS – NON-CONSULTING SERVICES					
Type and Value of Procurement	Requisition	Budgeting	Commitment	Receipt	Payment
Supplies \$0-\$500	All Staff	Finance Director	Program Supervisor	Staff designated to order	Accounts Payable
Supplies \$501-\$10,000	Supervisor/ Director	Finance Director	Program Director	Program Supervisor	Accounts Payable
Supplies \$10,001 to \$25,000	Supervisor/ Director	Finance Director	Senior Mgmt Exec. Dir final authority	Program Supervisor	Accounts Payable
Supplies \$25,000 to \$99,999	Supervisor/ Director	Finance Director	Senior Mgmt Exec. Dir final authority	Program Supervisor	Accounts Payable
Training	Staff/ Supervisor/ Manager	Finance Director	Program Supervisors	Staff designated for training.	Accounts Payable
IT Goods \$0 - \$1,001	IT staff	Finance Director	Chief Operations Officer	IT staff	Accounts Payable
IT Goods \$1,001 up to \$10,000	IT staff	Finance Director	Chief Operations Officer	IT staff	Accounts Payable

IT Goods \$10,001 up to \$99,000	IT staff	Finance Director	Executive Director	IT staff/ Chief Operations Officer	Accounts Payable
Supplies \$100,000 over	Senior Management	Finance Director	Executive Director	Director	Accounts Payable

		Construction and Renovations			
Type and Value of Procurement	Requisition	Budgeting	Commitment	Oversight	Payment
Construction and Renovations under \$100,000	Senior Management	Finance Director	Executive Director or Chief Operations Officer	Property Department	Finance Clerk authorization from Property Director
Construction and Renovations \$100,000 or more	Senior Management	Finance Director	Executive Director	Property Department	Finance Clerk authorization from Property Director

		CONSULTING	SERVICES		
Type and Value of Procurement	Requisition	Budgeting	Commitment	Oversight	Payment
\$0 up to but not including \$100,000	Supervisor / Director	Finance Director	Executive Director	Program Supervisor / Director	Finance Clerk authorization from Finance Director
\$100,000 or more	Senior Management	Finance Director	Executive Director	Property Manager / Chief Operations Officer	Finance Clerk authorization from Finance Director

Information Gathering

Where results of informal suppliers or product research are insufficient, CLASS can request information or an expression of interest with regards to purchasing goods.

A response to either of these requests will not be used to pre-qualify a potential supplier.

When CLASS obtains the name of a supplier from the Ministry Vendors on Record (VOR) it will be assumed that the processes of obtaining supplier information has been done by the Ministry and absolves CLASS from researching the supplier.

Supplier Pre- Qualification

CLASS will gather information about suppliers' capabilities and qualifications using a Request for Supplier Qualification template (RSO) in order to pre-qualify suppliers for an immediate need or in advance of future competitions.

When CLASS obtains their supplier from the Ministry VOR it will assume that they pre-qualify and not fill out an RSO.

Process for Competitive Procurements

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

Posting and Timelines for Competitive Procurements

Any competition that is required under \$100,000 will be posted on CLASS website. Anything above \$100,000 will also be posted in the local newspaper.

Suppliers shall be given up to 15 calendar days for a response. In cases where the procurement is of a high complexity, risk and/or over \$100,000 the time limit will be extended up to 30 days.

Bid submission date and closing time must be clearly stated in the competitive process. Closing date must be on a normal working day (Mon to Fri). Any submission delivered after closing time will be returned unopened.

Evaluation Criteria

To ensure fairness within our competitive procurement process CLASS will develop, review and approve the evaluation criteria at Senior Management prior to commencement of the competitive procurement process. Each piece of the evaluation criteria will also be fairly weighted prior and clearly documented in the competitive procurement documents. The documents will also fully disclose the methodology and process to assessing submissions, including the process to resolve tie scores.

Mandatory criteria should be kept to a minimum to ensure that no bid is unnecessarily disqualified.

The maximum justifiable weighting will be allocated to the price/cost component.

All criteria must comply with the section below entitled Non-Discrimination. Alternate strategies or solutions will not be considered unless they are requested in the competitive procurement process.

The Evaluation Team

The evaluation team for competitive bids up to \$100,000 will be the at least 2 members of the Senior Management Team. A program supervisor or staff who is familiar with the required service may be invited to join the team during evaluations that are unfamiliar to the evaluation team. For bids over \$100,000 it will be the Executive Director and Senior Management Team. Team members must be aware of the confidentiality of this process and will not engage in activities that will create or appear to create a conflict of interest. Team members must sign a non-disclosure of confidential information agreement as well as a conflict of interest declaration.

A team member cannot participate in the evaluation process if a supplier is a family member or a personal friend or if they profit or are seen to profit from the purchasing of the goods or service. They must declare a conflict of interest and must withdraw from the evaluation team during the evaluation that puts them in conflict. A substitute team member must be found.

Each team member will complete an evaluation form, rating each of the submissions. These must be kept for audit purposes. What is written must be fair, factual and fully defensible.

The Winning Bid

The submission that receives the highest evaluation score and meets all mandatory requirements must be declared the winning bid. For procurements over \$100,000 CLASS will post the name of the successful supplier, agreement start and end date and any extension options on the website and in the local newspaper. This would be done after the contract is executed.

For competitions for procurement over \$100,000 CLASS will notify unsuccessful candidates about their entitlement to a debriefing and will allow 60 days for an unsuccessful candidate to determine if they wish a debriefing.

Non-Discrimination

York Support will not discriminate or exercise preferential treatment and will follow the Competitive procurement process.

Executing the contract

CLASS and the supplier will enter into a signed written contract that defines the required services or goods prior to commencement of the purchase. The Purchase of Service contract

must include the form of agreement that was released with the procurement process. In the case where a Purchase of Service agreement is not used there must be some type of signed contract that defines the goods being purchased prior to commencement. All contracts should have an appropriate termination or cancellation clause agreed upon by both parties. Should the contract require modification at a later date the Executive Director must approve the modification for contracts. Should the price/cost change then the evaluation team is required to review and ensure it does not warrant a new competitive process.

Contract Management

Procurements and the resulting contracts will be managed responsibly and effectively. Please refer to our financial policies and procedures regarding payment processes to determine the required documentation needed to request payment.

Assignments must be documented, and supplier performance must be managed and documented with any performance issues being addressed immediately.

Included in the contract should be a dispute resolution process.

For service contracts there should be;

- clear terms of reference and should include objectives, background, scope, constraints, CLASS responsibilities, Service provider responsibilities, tangible deliverables, timelines, progress reporting, approval process and knowledge transfer requirements.
- Expense claim process established that adheres to CLASS expense policies and only if the contract explicitly provide for reimbursement of expenses.

Procurement Retention

The competitive procurement documents and all relevant documentation pertaining to the procurement must be kept for seven years.

Conflict of Interest

Any conflict of interest will be monitored that may involve CLASS staff, advisors, external consultants or service providers. Anyone aware of a conflict of interest must disclose the actual or potential conflict and where possible proceed to withdraw from any activity that causes the conflict.

Internal Use – To Be Completed by Community Living Association for South Simcoe		
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