



Huron-Superior Catholic

DISTRICT SCHOOL BOARD

PROCEDURAL GUIDELINES

PURCHASING

1. GENERAL

- a) Sourcing, negotiations, contractual arrangements and the purchase, lease or rental of goods and services are the responsibility of the Director of Education or designate.
- b) The Superintendent of Business is responsible for ensuring that competitive bids are obtained for purchases as required by this policy.
- c) All out of country purchases are to be authorized by the Purchasing Department to ensure proper accounting of duty and taxes and certification.
- d) The Superintendent of Business/Designate or Manager of Plant Services, in consultation with the end user, will consider not only the price of the goods or services but also quality, delivery, service, warranty and reliability of the vendor/supplier.
- e) The authority to issue a purchase order in the name of the Board is delegated to the Superintendent of Business/Designate and to employees having budget responsibility.
- f) Arrangements for equipment trials are to be made through the Purchasing Department.
- g) Purchases for personal use are not permitted.

The Board will comply with the 25 mandatory requirements as set out in the Ministry of Finance Broader Public Sector Procurement Directive.

2. PURCHASING CODE OF ETHICS

All Board employees involved in any aspect of purchasing or other supply chain related activities must comply with the following Supply Chain Code of Ethics:

a) Personal Integrity and Professionalism

All individuals involved with purchasing or other supply chain-related 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 Broader Public Sector (BPS) organizations, suppliers and other stakeholders. Respect must be demonstrated for each other and for the environment. Confidential information must be safeguarded. All 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.

b) *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.

c) *Compliance and Continuous Improvement*

All individuals involved in purchasing or other supply chain-related activities must comply with this Code of Ethics and the laws of Canada and Ontario. All 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.

3. *PURCHASE LIMITS AND METHODS*

a) *Purchase Limits*

The purchasing methods within this section are the minimum requirements needed to ensure financial control and to minimize financial risk. Splitting transactions to avoid purchase limit requirements is not permitted. Confirmation orders are allowed in alignment with Board Purchasing Procedures.

Purchase Dollar Limits*	Purchasing Method
Up to \$499	<ul style="list-style-type: none"> • Petty cash, reimbursement form, cheque requisition or purchase order • Approved by Superintendent of Business/Designate or budget holder
\$500 to \$2,499	<ul style="list-style-type: none"> • Vendor invoice, cheque requisition or purchase order • Approved by the Superintendent of Business/Designate or budget holder
\$2,500 to \$4,999	<ul style="list-style-type: none"> • Vendor invoice, cheque requisition or purchase order • Approved by Admin Council
\$5,000 to \$24,999	<ul style="list-style-type: none"> • Purchase order and/or contract. • Approved by Admin Council • Three written quotes required or tendering as determined by Admin Council • Monthly report to the Board for all purchases over \$10,000
\$25,000 to \$49,999	<ul style="list-style-type: none"> • Purchase order and/or contract • Approved by Admin Council • Public Tender or Request for Proposal • Report to the Board of Trustees
\$50,000 to \$99,999	<ul style="list-style-type: none"> • Purchase order and/or contract • Approved by Board of Trustees • Public Tender or Request for Proposal • Advertised publicly including posting on Board website
\$100,000 and greater	<ul style="list-style-type: none"> • Purchase order and/or contract • Approved by Board of Trustees • Public Tender or Request for Proposal • RFP's and tenders will comply with the BPS Supply Chain Guideline requirements (including advertising on MERX or Bidingo)
* All dollar amounts are exclusive of provincial and federal taxes	

Purchase Dollar Limits*	Purchasing Method
* Dollar limits refer to the total estimated value of the annual contract, goods or services	
Architect and Engineering Fees	
Purchase Dollar Limits*	Purchasing Method
Up to \$9,999	<ul style="list-style-type: none"> • Recommended by Manager of Plant Services • Approved by Admin Council
\$10,000 to \$49,999	<ul style="list-style-type: none"> • Three written quotes or tendering • Approved by Admin Council • Report to the Board of Trustees
\$50,000 to \$99,999	<ul style="list-style-type: none"> • Approved by Board of Trustees • Public Tender or Request for Proposal
\$100,000 and greater	<ul style="list-style-type: none"> • Public Tender or Request for Proposal • Must comply with BPS Supply Chain Guidelines • Approved by Board of Trustees
* All dollar amounts are exclusive of provincial and federal taxes	
* Dollar limits refer to the total estimated value of the annual contract, goods or services	

b) Vendors Of Record

The Purchasing Department will establish long-term agreements with vendors through a competitive process in adherence to this policy. These agreements will be for a maximum of three year terms. The terms can be extended annually with approval from the Board of Trustees.

c) Emergency Purchases

In case of emergencies, the Director of Education or designate has the authority to obtain goods and/or services in the most expedient manner possible. The Director of Education will inform the Board of Trustees of the particulars involved and the action taken. Emergencies are defined as circumstances or situations beyond control which have the potential of affecting the health, life and safety of students or other personnel, result in financial losses, have the potential to

interfere with the ability of staff and students to occupy the building, or may interfere with the delivery of the program.

d) Exceptions

- (i) In instances where an expenditure is mandated by a municipality or other body, (e.g., building permit, utilities), the purchase is to be considered a sole source transaction and no formal tendering process is required. In instances where goods or services are by their nature only available from one supplier, the purchase is to be considered an exclusive transaction and is to be approved by Admin Council.
- (ii) The Director of Education and the Superintendent of Business are responsible for the acquisition and ongoing review of banking services, insurance, audit services, legal services, advertising, group benefit provider and consultant and real estate transactions. A report of summary of services will be made annually to the Board of Trustees.
- (iii) Due to market conditions, when goods or services are in limited or short supply, the Director of Education or Superintendent of Business may approve one time purchases with no formal tendering process. A report will be made to the Board of Trustees.
- (iv) In cases where the Ministry of Education provides special grant funding for specific projects, and where grant money must be spent within a timeline that does not allow for the normal process to occur, the Director of Education or Superintendent of Business may authorize goods or services to be obtained by written quotation only. A report will be made to the Board of Trustees.

e) Unauthorized Purchases

All purchases made in the name of the Board without proper authorization under Board policy may be considered an obligation of the person making the purchase and not an obligation of the Board.

4. COOPERATIVE PURCHASING

- a) The Board may participate in agreements administered by Integrated Supply Chain Management (ISCM)-compliant cooperative purchasing groups and/or the Ontario Educational Cooperative Marketplace (OECM) involving other Broader Public Sector (BPS) partners whenever it is in the best interests of the Board to do so.
- b) Cooperative Purchasing Agreements will be administered by the Purchasing Department, however, the responsibility for the process establishing the agreement will be the responsibility of the cooperative purchasing group.
- c) The Purchasing Department will obtain approval prior to participating in cooperative purchasing agreements, **as per the approval limits specified in Clause 3a of this procedural guideline.** The Cooperative Purchasing Agreement will be exempt from the normal Board approval process and will be presented to the Board of Trustees.

5. CONSTRUCTION PROJECTS

The Manager of Plant Services will issue Requests for Tenders for construction projects in compliance with the monetary limits established in this policy. The following will apply to construction projects:

- a) All construction projects or contracts valued over \$250,000 will comply with the Agreement for Internal Trade and the BPS Supply Chain Guideline.
- b) All bidders will be required to include in the contract price the cost of a 50% performance bond.
- c) For construction projects, for which an architect is appointed, tenders shall be called when the Board of Trustees has approved working drawings. Tenders for such projects shall be opened in public.

6. CONSULTANTS

A consultant is defined as a person or entity under an agreement, other than an employment agreement, providing expert or strategic advice and related services for consideration and decision-making. This service, regardless of value, will be procured by competitive process, as per the Broader Public Sector Procurement Directive of the Ministry of Finance. The standard dollar value limits will apply as per table 3.a, however, three written quotes must be obtained for consulting services with a dollar value limit of 0 to \$2,500. as per the BPS directive, professional services such as architectural and engineering services, accounting services and legal services are not defined as

consulting services. Procurement of professional services follows the standard dollar value limits.

7. SEGREGATION OF DUTIES

To increase accountability within the Huron-Superior Catholic District School Board effective control is achieved with the delegation of authority and segregation of duties across functions and individuals. Roles and responsibilities for each procurement function are illustrated below.

Roles	Explanation	Who
Purchase Order	Forwarded to Purchasing Department for acquisition purposes	Initiated by the person requesting goods or services
Budget	Authorize that funding is available to cover the cost of the order	Budget is authorized and approved by the Board on an annual basis. Allocated to School Administrators and Department Managers. Purchase Orders approved on-line by budget holder.
Commitment	Authorize release of the order to the supplier under agreed-upon contract terms	Accounts Payable
Receipt	Authorize that the order was physically received, correct and complete	Person who has received the goods or service
Payment	Authorize release of payment to the supplier	Accounts Payable

8. COMPETITIVE PROCUREMENT PROCESSES

a) Request For Quotation (RFQ)

Used for purchase that is estimated to be greater than \$2,500. and less than \$25,000. RFQ is more informal method of solicitation in that the bids are not required to be sealed. A minimum of three written quotes are required. A RFQ usually focuses the evaluation criteria on price and delivery.

b) Request for Tender (RFT)

Used for purchases where the goods or services can be specified and are estimated to be greater than \$25,000. and less than \$100,000. RFT is a formal method of solicitation in that sealed bids are required. An RFT usually focuses the evaluation criteria predominantly on price and delivery requirements.

c) Request for Proposal (RFP)

Used where the product or service cannot be specified, but the need, problem or goal is identified. Bidders must support their proposal by describing their relevant experience and capabilities, qualifications and solutions to our need. The proposals are evaluated on a technical and cost merit. This process uses predefined evaluation criteria in which price are not the only factor.

d) Request For Expression of Interest (RFEI) or Request For Information (RFI)

Used for gathering information from potential suppliers as to how they would deal with a certain scenario or problem, and determine the interest level of suppliers in participating in a procurement process. It can lead to a formal competitive process. A response to an RFEI or FFI does not pre-qualify a potential supplier and does not influence their chances of being the successful bidder on any subsequent opportunity. No Contract "A" (bid contract) or Contract "B" (performance contract) will be formed between the Board and the respondents. Electronic tendering methods may be used to reach a large population when seeking information.

e) Request for Supplier Qualifications (RFSQ)

The Board, at its discretion, may pre-qualify potential bidders based on criteria appropriate to the service, supply or construction requirements. The purpose is to gather information on supplier capabilities and qualifications with the intention of:

- i) Using a pre-qualified suppliers list to respond to purchasing completion
- ii) Pre-qualifying suppliers who are interested in supplying materials or services in the future. The result of this procedure is a Vendor of Record (VOR) or a preferred supplier list.

The RFSQ will contain specific language to disclaim any obligation on the part of the Board to actually call on or award a contract to any supplier as a result of the pre-qualification to supply such goods or services.

9. COMPETITIVE PROCUREMENT DOCUMENTS

- a) For an open competitive process, the Huron-Superior Catholic District School Board will develop documents that contain an explanation of the organization's requirements, time lines of the bidding process; the selection process and tie score process; conflict of interest and dispute resolution processes; vendor debriefing process; cancelation/termination clauses; submission rules to be followed.
- b) Evaluation criteria and methodology will be developed, reviewed and approved before the competitive process begins. These criteria and sub-criteria will be included in the competitive documents. The document must identify those criteria that are considered mandatory. Mandatory requirements are those requirements that, if not met, will cause a bid to be rejected. Evaluation criteria may only be altered by means of an addendum to the document.
- c) The method to resolve a tie score will be identified in the evaluation criteria of a Request for Proposal. This may differ for each procurement, depending on what is most appropriate. Tie-break processes may include supplier presentations and demonstrations reference checks, site visits to supplier locations, and negotiations.
- d) A contact person will be named in the document to answer any questions. Lobbying during a competitive procurement call is prohibited. This includes any communications with anyone other than the official point of contact from the time of issuance, up to and including to disqualification from the current or future procurement at the Board's discretion.
- e) The terms of the contract including any options for renewal will be stated in the document. The length of a contract will be limited to a maximum of five years (three year contract plus two one-year extensions). At the end of five years, the contract will be re-tendered through a competitive procurements process unless the Board has approved an extension.

10. ADVERTISING OF PROCUREMENT REQUIREMENTS

- a) Advertising of procurement requirements will be determined by the type of procurement methods and nature of the requirement. Methods of advertising can include newspaper advertisement, posting on the Huron-Superior Catholic District School Board website, posting on MERX or on Biddingo.
- b) In compliance with the Agreement on Internal Trade (AIT), all procurements with an estimated value or more than \$100,000. Will be posted on MERX and/or Biddingo.

11. Timelines for Posting Competitive Procurements

- a) Bids valued at \$100,000. or more must be advertised for a period of 15 calendar days. The closing date will be on a normal working day (Monday to Friday, excluding provincial and national holidays). For procurement of high complexity, risk and/or dollar values, up to 30 calendar days will be considered.
- b) The competition process begins when the procurement documents are issued and ends on the closing date, commonly referred to as the “blackout period”. During the blackout period all communications with suppliers will be through a contact person identified in the competitive document.
- c) During the competitive period, documents may be clarified or modified through the use of an addendum or a question-and-answer (Q&A) response. Addenda and Q&A will be posted in the same manner as the competitive documents were advertised. Addenda must be issued at least seven days PRIOR to the closing date of the tender. Where an addendum must be issued within the last seven days of closing, the closing date will be extended accordingly.

12. BID RECEIPT

Each bid must be stamped as it arrives with the date and time. Any bids received after the closing date and time will not be accepted and will be returned unopened to the supplier.

13. EVALUATION TEAM

- a) Where the competitive process warrants the requirement of an evaluation team, the team will be responsible for reviewing and scoring each bid. The evaluation team may be different for each competitive process, depending on the expertise required to make the decision. The evaluation team members will be selected and their participation confirmed before the competitive documents have been posted.
- b) A representative of the Business Department will facilitate the evaluation process and may also be an evaluator.
- c) Evaluation team members must be aware of the restrictions related to confidential information shared through the competitive process and refrain from engaging in activities that may create or appear to create a conflict of interest. Team members will be required to sign an Evaluator's Conflict of Interest Agreement (Appendix A)
- d) Each member of the evaluation team must complete an evaluation matrix rating each bid submission. Records of the evaluation scores are subject to audit. Evaluators will be aware that everything they say or document must be fair, factual, and fully defensible and may be subject to public scrutiny.

14. EVALUATION OF BIDS

- a) Bids will be evaluated according to all relevant criteria contained in each bid document. The Board intends to evaluate based on price, product/service quality, past performances, delivery and payment terms or any combination or additions thereof at its sole discretion. Evaluation of bids may include compliance, skills/experience and capability, reference checks, interviews, and demonstrations.
- b) The Board reserves the right to evaluate pricing offered based on the combined total cost of the items tendered or separately.
- c) The Board is entitled to ask bidders for clarification on their bid as long as it does not change their bid in any way.

- d) Alternative strategies or solutions submitted with a bid, which were not requested in the original procurement document, will not be accepted unless an alternative was expressly requested.
- e) Tie Bids – If identical low bids are received, the following options as deemed appropriate by the Superintendent of Business may be considered to break the tie:
 - Other weighted criteria
 - Prompt payment discount
 - Best delivery
 - Environmental initiatives offered
 - A coin toss (facilitated by the Superintendent of Business or designate, provided the identical low bidders agree and are present for the coin toss).
- f) Where bids received exceed the budget amount, are not responsive to the requirements, or do not represent fair market value, a revised solicitation can be issued in an effort to obtain an acceptable submission. If no bids are acceptable and it is not reasonable to go through any other method, the Board may choose to negotiate directly with a chosen supplier.

15. *BID IRREGULARITIES/MISTAKES/OMISSIONS AND REJECTION*

- a) Bid irregularities are a deviation from the bid request which affects the price, quality, quantity, or delivery and is critical to the award.
- b) Irregularities that do not comply with the essential terms of the invitation and compromise the integrity of the bidding process, will be considered a major irregularity and will be rejected.
- c) The Board reserves the right to waive a minor irregularity if determined to have no financial implications to the bid. Minor irregularities may be accepted by requesting the bidder rectify the deviation within a specified time.
- d) Bidders whose submissions are rejected will be notified of the rejection in writing as soon as practicable after completion of the evaluation, prior to the award.
- e) The Board reserves the right to reject a bid submission in view of current, pending or threatened litigation, arbitration, alternative dispute resolution or disputes involving the Board and the bidder.

16. CONTRACT AWARD

- a) An award will be made to the compliant bidder with the highest score, who has met all mandatory requirements set out in the procurement document. The Huron-Superior Catholic District School Board is not obligated to accept the lowest bid.
- b) The award of any bid or will be made in writing and may be subject to the successful bidder entering into a contract that is satisfactory to the Board.
- c) Unsuccessful bidders will be provided with the name of the successful bidder(s) and contract start and end dates including any options for extension. For purchases valued at \$100,000. Or greater, the Huron-Superior Catholic District School Board will post, in the same manner as the procurement documents were posted, the name(s) of the successful supplier(s). The contract award notification will include the agreement start and end dates, including any options for extension.
- d) A purchase order will be issued upon formal award.

17. DISCRIMINATION OR PREFERRED TREATMENT IN CONTRACT AWARD

The Board will refrain from any discrimination or preferred treatment in awarding of a contract to a supplier as a result of a competitive process. The Board will not give preferential treatment to any supplier(s) based on criteria such as company size or geographic location unless explicitly stated in the competitive documentation. Any preference stated in the competitive document must fall under the specific circumstances identified in the Ontario Ministry of Finance Supply Chain Guidelines.

18. VENDOR DEBRIEFING AND BID PROTEST PROCEDURES

- a) For purchases valued at \$100,000 or greater the Board will inform all suppliers who participated in a procurement process of their entitlement to a debriefing. By written request to the Superintendent of Business unsuccessful bidders will have an opportunity to book this meeting. The debriefing will provide the bidder with a critical review of the unsuccessful bid, and if what, in the opinion of Admin Council were its particular strengths and weaknesses, in conducting vendor debriefings, the board will not disclose information concerning other suppliers bids as they may contain confidential third party organization proprietary

information subject to the mandatory third party exemption under the MFIPPA. If a supplier makes such a request, the Board will advise the supplier that a formal Freedom of Information (FOI) request be submitted.

- b) Questions unrelated to the procurement process must not be responded to during the debriefing and must be noted as out of scope.
- c) Where a bidder is dissatisfied with the information provided the bidder may request in writing a meeting with the Superintendent of Business.
- d) A record of all debriefings will be kept on file.

19. CONTRACT MANAGEMENT

Procurement and the resulting contracts will be managed responsibly and effectively and will include but not be limited to the following requirements.

- a) Payments will be made in accordance with provisions of the contract. All invoices must contain detailed information sufficient to warrant payment.
- b) Supplier's performance will be managed and documented and any performance issues will be addressed.
- c) The responsibilities of both the Board and the successful supplier are defined in a signed written contract/purchase order before the provision for supplying goods or services commences.
- d) Contracts will include appropriate cancellation or termination clauses.
- e) Contracts will include extensions to the term of the agreement as set out in the procurement document.
- f) Extending the term of agreement beyond that set out in the competitive procurement document is considered a non-competitive procurement where the extension affects the dollar value. In such situations, approval authority will be obtained prior to proceeding with the extension.
- g) For services, the Board will ensure that:
 - Clear terms of reference are outlined in the procurement document. The terms shall include objectives, background, scope, constraints, staff responsibilities, tangible deliverables, timing, progress reporting, and approval requirements.

- Expense claim and reimbursement rules are compliant with the Broader Public Sector Expenses Directive and ensure that 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.

20. PROCUREMENT DOCUMENTS AND RECORDS RETENTION

All procurement documents, as well as any other pertinent information for reporting and auditing purposes must be maintained for a period of seven years and be in recoverable form if requested.

Confidential and commercially sensitive information is maintained in the procurement file in locked cabinets within the purchasing department. If transfer of the files is required prior to the seven years, the documents are taken to the Board's secure archives. After seven years, the documentation is destroyed.

Confidential information may be shared with evaluation team members after an Evaluator's Code of Conduct & Conflict of Interest Agreement (Appendix A) is received by the Purchasing Department.

21. CONFLICT OF INTEREST

The Board must consider any conflict of interest during procurement activities, applicable to all employees, advisors, external consultants or suppliers. The Board will require any individual involved in supply chain-related activities to declare all actual and potential conflicts of interest on a Declaration of Conflict of Interest form, at the Board's request.

The Board shall:

- Define a conflict of interest that could give a supplier an unfair advantage during a procurement process or compromise the ability of a supplier to perform his obligations under the agreement.
- Reserve the right to solely determine whether any situation or circumstance constitutes a conflict of interest.
- Reserve the right to disqualify prospective suppliers from a procurement process due to a conflict of interest.

- Require prospective suppliers participating in a procurement process to declare any actual or potential conflict of interest.
- Reserve the right to prescribe the manner in which a supplier should resolve a conflict of interest.
- Reserve the right to terminate an agreement where a supplier fails to disclose any actual or potential conflict of interest or fails to resolve its conflict of interest as directed by the organization.
- Reserve the right to terminate an agreement where a conflict of interest cannot be resolved.