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## **POLICY: Advertising Expenditures**

Category (Finance)

Effective Date: March 26, 2007.

Last Revision Date: (N/A)

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## **POLICY: Advertising Expenditures**

### ***Rationale:***

In a spirit of freedom, affirmation and celebration today we strive to enhance relationships among members of the home, school, parish, and extended community. To this end the Board may utilize an advertising medium for the purpose of informing and educating the public, as well as creating awareness of education programs, services, issues, events and community activities of specific interest or benefit to students and families.

### ***Personnel Affected by Policy:***

Supervisory Officers, Managers and Principals.

### ***Organizational Authority:***

The Board

### ***Regulations:***

1. The Board may use one or more advertising mediums for the following to inform, promote, and/or provide:
  - School registration including Junior and Senior Kindergarten registration.
  - Program offerings
  - Extracurricular activities
  - Public consultations
  - Employment opportunities
  - Requests for tenders for goods and services
  - Budget and Required financial reporting information
  - Information to Catholic education right holders about their constitutional rights and the availability of Catholic education in their community, and
  - Other specific areas as directed by the Board
2.
  - 2.1 The Board shall exercise due diligence in determining the advertising medium that maximizes cost efficiency.
  - 2.2 Significant advertising expenditures shall be competitively placed.
3. The advertising must:
  - target specific group or groups that have a demonstrable need for the information;
  - present objective, factual and explanatory information based on verifiable facts in an unbiased, fair and equitable manner; and
  - have the objective of producing measurable outcomes.
4. Prior to the commencement of the campaign, the appropriate approvals shall be in place to support the nature and extent of an advertising campaign
5. The Board shall ensure that advertising campaigns are in compliance with any applicable laws and regulations.



## **POLICY: Advocacy Expenditures**

Category (Finance)

Effective Date: March 26, 2007.

Last Revision Date: (N/A)

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## **POLICY: Advocacy Expenditures**

### ***Rationale:***

We are called to make a difference as faith-filled community builders; to challenge the consumer culture with lives dedicated to the principals of social justice in the spirit of gospel values and to sustain safe school environments characterized by warmth, hospitality, good humour and joy. To identify, discuss and find solutions to policy and financial issues, an open and on-going communication with the province and other educational partners is essential.

### ***Personnel Affected by Policy:***

Trustees, Supervisory Officers, Managers, Principals, Teachers and Students

### ***Organizational Authority:***

The Board

### ***Regulations:***

1. The Board shall focus on on-going communication between the school boards, educational partners and governments through established mechanisms and channels.
2. On an annual basis, the Board shall review, evaluate, and if appropriate, renew membership dues and fees to the various organizations, that form part of the partnership working together to provide our students with the best quality Catholic Education in Ontario.
3. The Board shall maximize resources for student success and achievement.
4. Students shall not be used as vehicles for Board or school advocacy to the public, education partners or governments.
5. Communications to advocate on behalf of the Board shall not be based on personal or partisan political agendas, and Board funds shall not be used to attend events for specific political parties.



## **POLICY: Board Equipment – Removal / Loan**

Category (Finance)

Effective Date: October 6, 1975.

Last Revision Date: (4-Dec-95)

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## **POLICY: Board Equipment – Removal / Loan**

### ***Rationale:***

The Board is willing to loan Board equipment to its Trustees and employees in accordance with the Regulations as set out in this Policy.

### ***Personnel Affected by Policy:***

All Trustees and employees of the Board

### ***Organizational Authority:***

The Board

### ***Regulations:***

1. Equipment which is owned by the Board should not be removed from the location or locations in which it is intended to be used, except when temporary removal is necessary to carry out repairs and/or adjustments.
2. An exception may be made when a person authorized by the Board deems it appropriate to loan an item of equipment for a specified period of time.
3. In each school, the person authorized by the Board under this Policy shall be the Principal.
4. In Board-owned facilities which are not under the supervision of a Principal, the person authorized by the Board under this policy shall be a Manager, a Superintendent, the Director of Education, or the Director's designate.
5. The borrower is responsible for returning equipment on time and in the same condition as it was in when borrowed.
6. A written record signed by the borrower shall be filed with respect to any equipment borrowed under this policy.
7. Equipment which is booked out to school employees or other Board personnel on a loan basis by the Technological Services Department is exempt from Regulation #6.



## **POLICY: Corporate Credit Card**

Category (Finance)

Effective Date: March 26, 2007.

Last Revision Date: (31-Oct-11)

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## **POLICY: Corporate Credit Card**

### ***Rationale:***

The use of a corporate credit card is to build efficiency by simplifying the acquisition, receipt and payment of low-dollar-value purchases and travel expenses for employees in identified positions.

### ***Personnel Affected by Policy:***

All Board personnel who have been issued a Board corporate credit card including but not limited to Supervisory Officers, Managers, Supervisor of Purchasing, certain Specific Identified Academic Positions and some Maintenance Staff.

### ***Organizational Authority:***

The Board

### ***Regulations:***

#### **1. AUTHORIZED USE OF CORPORATE CREDIT CARDS**

- 1.1 Corporate credit cards shall be used solely in the course of, and for the purposes of, Board business.
- 1.2 With the approval of the employee's immediate supervisor, applications for a corporate credit card and/or a change to their corporate credit card shall be submitted to the Superintendent of Business Services.
- 1.3 Corporate credit card limits will be assigned in accordance with the purchasing requirements of the cardholder's position.
- 1.4 Access to cash advances will not be permitted.
- 1.5 Any use of this card for personal purposes is strictly prohibited.
- 1.6 Unauthorized use of the card can be considered misappropriation of funds and could result in immediate and irrevocable forfeiture of the card and/or disciplinary action up to and including dismissal.

#### **2. RESPONSIBILITY OF CARD HOLDER**

- 2.1 Corporate credit cards are issued in the name of the individual cardholder. The cardholder is responsible for the card and meeting all the terms and conditions.
- 2.2 The card is for the use of the authorized individual to whom it was issued and may not be transferred to, or used by, any other party.
- 2.2 The individual cardholder shall maintain the card with the appropriate security whenever and wherever the card may be used. If the card is lost or stolen, the individual cardholder is responsible to notify the credit card company and the Superintendent of Business Services immediately. Failure to report a stolen/lost card promptly could result in the individual cardholder being responsible for all charges that may be incurred.



## POLICY: Corporate Credit Card

Category (Finance)

Effective Date: March 26, 2007.

Last Revision Date: (31-Oct-11)

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It is incumbent on the individual cardholder to comply with any and all internal control procedures designed to protect the Board's resources.

- 2.3 The cardholder is responsible to resolve any discrepancies that may appear on the monthly statement. The cardholder must notify the Superintendent of Business Services immediately of any unauthorized charges that cannot be resolved by themselves and/or with the suppliers.
- 2.4 If an item purchased with the corporate credit card is returned, the merchant must credit the corporate credit card account. The cardholder will attach the appropriate documentation to the monthly statement prior to submitting for payment/reimbursement.

### 3 CHANGE IN POSITION/TERMINATION OF EMPLOYMENT

- 3.1 The corporate credit card must be surrendered to the Superintendent of Business Services when the cardholder ceases to hold the position for which the corporate credit card was issued for expenses related to the duties of that position.
- 3.2 The corporate credit card must be surrendered to the Superintendent of Business Services upon resignation/retirement/termination of employment of the cardholder.
- 3.3 When a cardholder is or will be away from his/her regular place of employment for an extended period of time (e.g., leave of absence, LTD, etc.), the cardholder will return the card to the Superintendent of Business Services. Upon the employee's return to full active duty in that position, the card will be re-issued to the cardholder.

### 4. PROCEDURE AND AUTHORIZATION FOR PAYMENT

- 4.1 All expenditures must be supported by **original receipts** reflecting the HST or similar tax.
- 4.2 Purchases of alcoholic beverages are not permitted for personal use or for personal use when attending Professional Development Activities, seminars, conferences, etc.
- 4.3 **Approval**

The individual cardholder will itemize/verify and submit for written approval as follows, before forwarding at the end of each month, the original statement/expense claim to the Superintendent of Business Services for payment/reimbursement. **The original statement/expense claim must be accompanied by original receipts.** Faxed or copies of the original expense claim and/or original receipts will not be accepted. Credit card slips are not recognized as original receipts.

  - 4.3.1 All expenditures supported by original receipts must be approved by the employee's immediate supervisor, i.e., Superintendent of Educational Services, or Superintendent of Business Services or Director of Education, as appropriate.
  - 4.3.2 All expenditures supported by original receipts and incurred by the Trustees of the Board and Superintendent of Educational Services and Superintendent of Business Services must be approved by the Director of Education as the designated senior official of the Board.



## **POLICY: Corporate Credit Card**

Category (Finance)

Effective Date: March 26, 2007.

Last Revision Date: (31-Oct-11)

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4.3.3 All expenditures supported by original receipts and incurred by the Chair of the Board must be approved by the designated senior official of the Board other than the Director of Education. The Superintendent of Business Services and/or Superintendent of Educational Services shall be deemed to be the senior official of the Board for this purpose.

4.3.4 All expenditures supported by original receipts and incurred by the Director of Education must be approved by the Chair of the Board.

#### **4.4 Hospitality Expenses:**

4.4.1 In addition to original receipts, hospitality expense claims must be accompanied with names of individuals entertained and their role. The purpose of the hospitality also must be clearly stated.

4.4.2 Purchases of alcoholic beverages are not permitted unless authorized by the Director of Education and/or the Chair of the Board.

4.5 All documentation relating to the corporate credit card is to be submitted to the Superintendent of Business Services immediately following the month in which the documentation was received.

### **5 POLICY REVIEW**

5.1 When an employee is authorized to use a corporate credit card, the corporate credit card policies and procedures shall be reviewed with the cardholder.

5.2 A monitoring process shall be in place to ensure corporate credit cards are used in accordance with this and other established Board policies and procedures.



## **POLICY: Sale of Surplus Material**

Category (Finance)

Effective Date: June 2, 1975.

Last Revision Date: (31-Oct-11)

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## **POLICY: Sale of Surplus Material**

### **Rationale:**

As a result of updating and replacing buildings, equipment, and facilities, the Board from time to time may accumulate a variety of materials which are of considerable value.

Such surplus materials shall be disposed of impartially, as frequently as necessary, according to regulations approved by the Board.

### ***Personnel Affected by Policy:***

Manager of Plant Services, Supervisor of Purchasing, Superintendent of Business Services, Director of Education

### ***Organizational Authority:***

The Board

### ***Regulations:***

1. The Manager of Plant Services (construction materials) and the Supervisor of Purchasing (all other items) will prepare a list of surplus items that are unsaleable and should be scrapped. This list will be subject to the approval of the Superintendent of Business Services.
2. When there is surplus material available that is saleable, the Supervisor of Purchasing shall set the selling price for said material subject to the approval of the Director of Education or his designate.
3. Major items such as stoves, air conditioners, etc., where the probable selling price is in excess of \$1,000. shall be sold by sealed tender.
4. Funds received from the sale of surplus materials will be credited to a special revenue account set up for the purpose.
5. A report of sales of surplus material will be presented to the Board annually, if necessary. The report will include the article, name of purchaser and price.



## **POLICY: Solicitation in Schools / Board Facilities**

Category (Finance)

Effective Date: August 31, 1975..

Last Revision Date: (4-Dec-95)

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## **POLICY: Solicitation in Schools / Board Facilities**

### ***Rationale:***

This Policy was developed to ensure that only Board authorized material is distributed within Board premises and to adhere to the by-laws of the local municipality.

### ***Personnel Affected by Policy:***

All employees of the Board

### ***Organizational Authority:***

The Board

### ***Regulations:***

#### **1. AUTHORIZATION**

- 1.1 No agent, canvasser or solicitor is at any time permitted to enter the Board premises or remain on Board premises to canvas or interview pupils, custodians, teachers or other employees of the Board without written permission of the Board.
- 1.2 No employee is permitted to distribute material of a commercial nature without written authority of the Board.

#### **2. SCHOOL PICTURES**

Arrangements for photographers may be made by the Principal and shall be reported to the Board.

#### **3. BOOK DISPLAYS**

Principals may arrange for a book display through their Association.

#### **4. PEDDLERS AND HAWKERS LICENSE**

Employees are required to advise any salesperson requesting permission to sell goods on Board property that a Hawkers and Peddlers' license to sell is required in Pembroke and may be required in other locations.



**POLICY: Supply Chain –  
Broader Public Sector (BPS) Code of Ethics**

(Category: Finance)

Effective Date: June 28, 2010.

Last Revision Date: (26-Sep-11)

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## **POLICY: Supply Chain – BPS Code of Ethics**

### **I. Purpose of Policy**

To ensure an ethical, professional and accountable Ontario Broader Public Sector supply chain.

### **II. Policy Statement**

#### **1. 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 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.

#### **2. 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.

#### **3. Compliance and Continuous Improvement**

Individuals involved in 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.

### **III. Definitions**

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

**Members of an Organization** means 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.

### **IV. Related Information**

#### *Other Board Policy Documents*

POLICY: Supply Chain – Broader Public Sector (BPS) Procurement

#### *Ministry of Finance*

2011\_07\_01 Broader Public Sector Procurement Directive (s. 7.1 – Supply Chain Code of Ethics)

2011\_04 Broader Public Sector Procurement Directive – Implementation Guidebook



## POLICY: Supply Chain – BPS Procurement

### I. Purpose of Policy

The *Procurement Policies and Procedures* set out standardized rules for competitive procurement and contracting. The rules balance numerous objectives, including accountability, transparency, value for money, quality service delivery and process standardization.

The purpose of these Policies and Procedures is to achieve value for money while following a procurement policy that is fair and transparent to all stakeholders.

### II. Policy Statement

#### 1. Segregation of Procurement Duties:

Three of the following five functional roles in procurement must be segregated for all purchases. The responsibilities for these functions should lie with different departments or at a minimum with different individuals. In circumstances where it is not feasible to segregate three roles, adequate compensating controls must be approved by the Board’s auditor.

ROLES	EXPLANATION	EMPLOYEE
Requisition	Request an order for goods and/or services.	Employee requesting goods and/or services.
Budget & Approval (approval related to purchase level)	Authorize that funding is available to cover the cost of the order and approve the order.	Employee budget holder.
Commitment	Authorize release of the order to the supplier under agreed-upon contract terms	Purchasing Department.
Receipt	Authorize that the order was physically received, correct and complete.	Employee receiving the goods.
Payment	Authorize release of payment to supplier.	Designated Purchasing Department employee.

#### 2. Purchase Approval Levels:

*Goods, Non Consulting Services and/or Construction (taxes not included)*

TOTAL PURCHASE AMOUNT	PURCHASE AUTHORITY LEVEL
\$10,000 or less	Principal
\$20,000 or less	Supervisor of Purchasing
\$50,000 or less	Manager
\$250,000 or less	Superintendent
\$999,999 or less	Director of Education or designate
\$1,000,000 or more.	Board of Trustees



***Consulting Services (taxes not included)***

TOTAL PURCHASE AMOUNT	PURCHASE AUTHORITY LEVEL
\$20,000 or less	Supervisor of Purchasing
\$50,000 or less	Manager
\$250,000 or less	Superintendent
\$999,999 or less	Director of Education or designate
\$1,000,000 or more.	Board of Trustees

In addition Board approval and/or Supervisory Officer approval shall be required for the following situations involving competitive procurement.

- a) The recommended purchase exceeds the approved budget.
- b) The purchase is not being recommended to the lowest competitive supplier bid that has met all of the required specifications.
- c) Specific financing or leasing arrangements are applicable to the purchase.

**3. Procurement Values and Procedures:**

***Goods, Non Consulting Services and/or Construction (taxes not included)***

TOTAL PURCHASE AMOUNT	PROCEDURE
\$500 or less	Petty cash, school banking, expense claim or corporate card.
\$501 - \$5,000	Purchase order (PO) through the Purchasing Department.
5,001 - \$25,000	PO & up to three suppliers asked for quotes.
\$25,001 - \$99,999	PO & invitational competitive procurement (a minimum of three suppliers invited to bid.)
\$100,000 or more.	Open competitive process.

***Consulting Services (taxes not included)***

TOTAL PURCHASE AMOUNT	PROCEDURE
\$99,999 or less	PO & invitational competitive procurement (a minimum of three suppliers invited to bid.)
\$100,000 or more.	Open competitive process.

- a) The Board, in its sole discretion, may use the procurement procedures for purchases with a value of \$100,000 or more for purchases with a value of less than \$100,000.
- b) A division of requirements into multiple purchases to reduce the estimated value of a single purchase and avoid the application of the identified value thresholds is not permitted.

**4. Co-operative Purchasing (Group Purchasing Initiatives):**

- a) The Board will participate in tenders/contracts administered by cooperative purchasing agencies involving school boards and/or governmental agencies whenever it is in the best interests of the Board to do so.
- b) Procurement will be administered by the Board’s Purchasing Department, however, the responsibility for requests for tenders, quotations, etc., will be transferred to any cooperative purchasing agency with which the Board is a participant.
- c) Procurement of goods and services through cooperative purchasing agencies shall comply with the mandatory Procurement Policies and Procedures (PPP) set out in the Ministry of Finance (Management Board of Cabinet) 2011\_07\_01 *Broader Public Sector Procurement Directive*, as amended from time to time.



## 5. Emergencies / Non Competitive Procurement

***Goods, Non Consulting Services and/or Construction (taxes not included)***

TOTAL PURCHASE AMOUNT	PURCHASE AUTHORITY LEVEL
\$10,000 or less	Supervisor of Purchasing
\$20,000 or less	Manager
\$50,000 or less	Superintendent
\$249,999 or less	Director of Education or designate
\$250,000 or more	Board of Trustees

***Consulting Services (taxes not included)***

TOTAL PURCHASE AMOUNT	PURCHASE AUTHORITY LEVEL
\$999,999 or less	Director of Education or designate
\$1,000,000 or more	Board of Trustees

- a) Where an unforeseen situation of urgency exists and the immediate purchase of goods and/or services is essential to prevent serious delays, further damage or restore necessary services; the Segregation of Duties Process (section 1) may be bypassed.
- b) Where an immediate need exists for goods or services, and the Board and the supplier are unable to finalize the contract as described in the Board’s BPS Procurement Procedures, an interim purchase order may be used. The justification of such decision must be documented and approved by the appropriate authority
- c) When any emergency purchase has been made, formal documentation must be completed to justify and support the decision. This documentation must be completed and approved by the appropriate Board authority level and may be used as supporting documentation in case of a competitive dispute.

## 6. Exemptions from Competitive Procurement:

***Goods, Consulting Services, Non Consulting Services and/or Construction (taxes not included)***

TOTAL PURCHASE AMOUNT	PURCHASE AUTHORITY LEVEL
\$10,000 or less	Supervisor of Purchasing
\$20,000 or less	Manager
\$50,000 or less	Superintendent
\$249,999 or less	Director of Education or designate
\$250,000 or more	Board of Trustees

***Consulting Services (taxes not included)***

TOTAL PURCHASE AMOUNT	PURCHASE AUTHORITY LEVEL
\$999,999 or less	Director of Education or designate
\$1,000,000 or more	Board of Trustees

- a) *Single Sourcing:*  
Allowable exceptions for competitive procurements include:
  - i) Where an unforeseen situation of urgency exists and the goods, services or construction cannot be obtained in time by means of open procurement procedures. Where a non-competitive procurement is required due to an urgent situation, the Board may conduct the procurement prior to obtaining the appropriate approvals provided that the urgency has been justified in writing;



**POLICY: Supply Chain –  
Broader Public Sector (BPS) Procurement**

(Category: Finance)

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- ii) Where goods or services regarding matters of confidential or privileged nature are to be purchased and the disclosure of those matters through an open competitive process could reasonably be expected to compromise confidentiality, cause economic disruption or otherwise be contrary to the public interest;
- iii) Where a contract is awarded under a cooperation agreement that is financed, in whole or in part, by an international organization only to the extent that the agreement includes different rules for awarding contracts;
- iv) Where construction materials are to be purchased and it can be demonstrated that transportation costs or technical considerations impose geographic limits on the available supply base, specifically in the case of sand, stone, gravel, asphalt compound and pre-mixed concrete for use in the construction or repair of roads;
- v) Where an open competitive process could interfere with the organization's ability to maintain security or order or to protect human, animal or plant life or health;
- vi) Where there is an absence of any bids in response to an open competitive process that has been conducted in compliance with the Procurement Directive; and
- vii) Where only one supplier is able to meet the requirements of procurement in the circumstances (sole sourcing).

*b) Sole Sourcing:*

In accordance with the Agreement on Internal Trade (AIT), in the situation where only one supplier is able to meet the requirements of a procurement, the Board may use non competitive purchasing procedures in the following circumstances:

- i) To ensure compatibility with existing products, to recognize exclusive rights, such as exclusive licences, copyright and patent rights, or to maintain specialized products that must be maintained by the manufacturer or its representative;
- ii) Where there is an absence of competition for technical reasons and the goods or services can only be supplied by a particular supplier and no alternative or substitute exists;
- iii) For the procurement of goods or services, the supply of which is controlled by a supplier that is a statutory monopoly;
- iv) For the purchase of goods on a commodity market;
- v) For work to be performed on or about a leased building or portions thereof that may be performed only by the leaser;
- vi) For work to be performed on property by a contractor according to provisions of a warranty or guarantee held in respect of the property or the original work;
- vii) For a contract to be awarded to the winner of a design contest;
- viii) For the procurement of a prototype or a first good or service to be developed in the course of and for a particular contract for research, experiment, study or original development, but not for any subsequent purchases;
- ix) For the purchase of goods under exceptionally advantageous circumstances such as bankruptcy or receivership, but not for routine purchases;
- x) For the procurement of original works of art;
- xi) For the procurement of subscriptions to newspapers, magazines or other periodicals; and
- xii) For the procurement of real property.

*c) Documentation:*

When the Board bypasses the competitive process for any of the situations identified subsections (a) and (b), formal documentation must be completed to justify and support the decision. This documentation must be completed and approved by the appropriate Board authority level and may be used as supporting documentation in case of a competitive dispute.



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- d) *School Purchases using Non Board Supplied Funds:*  
School purchases of goods and/or services using non Board supplied funds are not subject to this Policy and the mandatory Procurement Policies and Procedures (PPP) set out in the Ministry of Finance (Management Board of Cabinet 1-Jul-11)) *Broader Public Sector Procurement Directive* as amended from time to time.
- e) *Agreement on Internal Trade (AIT) Exemptions:*  
Any exemptions, which are applicable to the Board, set out in the Agreement on Internal Trade (AIT) as amended from time to time.

## **7. Conflicts of Interest:**

- a) *Definition:*  
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
- b) The Board must monitor any conflict of interest that may arise as a result of the Trustees, employees, 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 an appropriate mitigating action must be taken

## **8. Access to Information:**

- a) Pursuant to mandatory requirement #19 (Contract Award Notification) in the Board Supply Chain – PPS Procurement Procedures, contract award notification must list the name of the successful supplier, agreement start and end date and any extension options.
- b) The Board is subject to the *Municipal Freedom of Information and Protection of Privacy Act*, ("MFIPPA") with respect to protection of information under its custody and control. Accordingly, all documents provided to the Board by the suppliers and consultants may be available to the public unless the party submitting the information requests that it be treated as confidential.
- c) Generally, the disclosure of information received relevant to the issue of bid solicitations or the award of contracts emanating from bid solicitations shall be kept confidential.
- d) However, all information is subject to MFIPPA and may be subject to release under the Act, notwithstanding the supplier or consultant's request to keep the information confidential or the Board decision to deny access to such information.

## **9. Procedure(s):**

Board administrative staff shall follow the necessary procedure(s) to implement this Policy and to comply with the mandatory Procurement Policies and Procedures (PPP) set out in the Ministry of Finance (Management Board of Cabinet 1-Jul-11)) *Broader Public Sector Procurement Directive* as amended from time to time.

## **III. Definitions**

The definitions used in this Policy are the definitions set out in section 11.3 of the Ministry of Finance (Management Board of Cabinet 1-Jul-11)) *Broader Public Sector Procurement Directive* as amended from time to time. These definitions are contained in the Board's Supply Chain – BPS Procurement Procedures. For easier reference some of the above definitions have been listed below.

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



**POLICY: Supply Chain –  
Broader Public Sector (BPS) Procurement**

(Category: Finance)

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**Conflict of Interest:** 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.

**Consultant:** A person or entity that under an agreement, other than an employment agreement, provides expert or strategic advice and related services for consideration and decision-making.

**Consulting Services:** The provision of expertise or strategic advice that is presented for consideration and decision-making.

**Contract:** 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.

**Offer:** 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:** The acquisition by any means, including by purchase, rental, lease or conditional sale, of goods, services or construction.

**Procurement Policies and Procedures (PPP):** 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:** The estimated total financial commitment resulting from procurement, taking into account optional extensions.

**Purchase Order (PO):** A purchaser's written offer to a supplier formally stating all terms and conditions of a proposed transaction.

**Requisition:** A formal request to obtain goods or services made within a BPS organization, generally from the end-user to the purchasing department.

**Segregation of Duties:** 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:** 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.

**Single Source:** The use of a non-competitive procurement process to acquire goods or services from a specific supplier even though there may be more than one supplier capable of delivering the same goods or services.

**Sole Source:** The use of a non-competitive procurement process to acquire goods or services where there is only one available supplier for the source of the goods or service.

## IV. Related Information

*Procedure for this Policy*

Procedure: Supply Chain - Broader Public Sector (BPS ) Procurement

*Other Board Policy / Procedure Documents*

POLICY: Supply Chain – Broader Public Sector (BPS ) Code of Ethics

*Ministry of Finance (Management Board of Cabinet)*

2011\_07\_01 Broader Public Sector Procurement Directive

2011\_04 Broader Public Sector Procurement Directive Implementation Guidebook



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## **Procedure: Supply Chain - Broader Public Sector (BPS) Procurement**

### **7.2 PROCUREMENT POLICIES AND PROCEDURES (MANDATORY REQUIREMENTS)**

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- 7.2.21 #21: Non-Competitive Procurement**
- 7.2.22 #22: Contract Management**
- 7.2.23 #23: Procurement Records Retention**
- 7.2.24 #24: Conflict of Interest**
- 7.2.25 #25: Bid Dispute Resolution**

### **8. OTHER RELATED POLICIES**

### **9. DEFINITIONS**



**7.2 PROCUREMENT POLICIES AND PROCEDURES (MANDATORY REQUIREMENTS)**

Organizations must comply with the requirements set forth in this Directive.

**7.2.1 Mandatory Requirement #1: Segregation of Duties**

Organizations must segregate at least three of the five functional procurement roles: Requisition, Budgeting, Commitment, Receipt and Payment. Responsibilities for these roles must lie with different departments or, at a minimum, with different individuals.

Where it is not feasible to segregate these roles, i.e., for smaller Organizations, adequate compensating controls approved by an external auditor must be put in place.

**7.2.2 Mandatory Requirement #2: Approval Authority**

**7.2.2.1 Goods and non-consulting services**

Organizations must establish an approval authority schedule (AAS) for procurement of goods and non-consulting services. The AAS must identify, for each of the functional procurement roles identified in Section 7.2.1, authorities that are allowed to approve procurements for different dollar thresholds. The AAS must be approved by the board of directors of the Organization or its equivalent.

Prior to commencement, any procurement of goods and non-consulting services must be approved by an appropriate authority in accordance with the AAS of the Organization.

Prior to commencement, any non-competitive procurement of goods or non-consulting services must be approved by an authority one level higher than the AAS requirements for competitive procurement.

**7.2.2.2 Consulting services**

Prior to commencement, any procurement of consulting services must be approved in accordance with the Procurement Approval Authority Schedule for Consulting Services below.

<b>Procurement Approval Authority Schedule (AAS) for Consulting Services</b>		
<b>Procurement Method</b>	<b>Procurement Value</b>	<b>Approval Authority</b>
Invitational Competitive	\$0 up to but not including \$100,000	Organization's AAS for goods and non consulting services
Open Competitive	Any value	Organization's AAS for goods and non consulting services
Non-competitive*	\$0 up to but not including \$1,000,000	President, CEO or equivalent
Non-competitive*	\$1,000,000 or more	Board of Directors or equivalent

\*Exemption-based only.

Organizations must not reduce the overall value of procurement (e.g., dividing a single procurement into multiple procurements) in order to circumvent the approval requirements of the organizational AAS or the Procurement AAS for Consulting Services.

**7.2.3 Mandatory Requirement #3: Competitive Procurement Thresholds**

Organizations must conduct an open competitive procurement process where the estimated value of procurement of goods or services is \$100,000 or more. The exemptions must be in accordance with the applicable trade agreements.

Organizations must competitively procure consulting services irrespective of value. The exemptions must be in accordance with the applicable trade agreements.



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

Organizations must not reduce the overall value of procurement (e.g., dividing a single procurement into multiple procurements) in order to circumvent competitive procurement thresholds.

**7.2.4 Mandatory Requirement #4: 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.

**7.2.5 Mandatory Requirement #5: Supplier Pre-Qualification**

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

Terms and conditions of the RFSQ document must contain language that disclaims any obligation of the Organization to call on any supplier to provide goods or services as a result of pre-qualification

**7.2.6 Mandatory Requirement #6: Posting Competitive Procurement Documents**

Calls for open competitive procurements must be made through an electronic tendering system that is readily accessible by all Canadian suppliers.

**7.2.7 Mandatory Requirement #7: Timelines for Posting Competitive Procurements**

Organizations must provide suppliers a minimum response time of 15 calendar days for procurement of goods and services valued at \$100,000 or more.

Organizations must consider providing suppliers a minimum response time of 30 calendar days for procurements of high complexity, risk, and/or dollar value.



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**7.2.8 Mandatory Requirement #8: Bid Receipt**

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

**7.2.9 Mandatory Requirement #9: Evaluation Criteria**

Evaluation criteria must be developed, reviewed and approved by an appropriate authority prior to commencement of the competitive procurement process.

Competitive procurement documents must 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.

All criteria must comply with Section 7.2.14, Non-discrimination, of the Directive.

The evaluation criteria are to be altered only by means of addendum to the competitive procurement documents.

Organizations may request suppliers to provide alternative strategies or solutions as a part of their submission. Organizations must establish criteria to evaluate alternative strategies or solutions prior to commencement of the competitive procurement process. Alternative strategies or solutions must not be considered unless they are explicitly requested in the competitive procurement documents.

**7.2.10 Mandatory Requirement #10: 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 tie score.

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

**7.2.11 Mandatory Requirement #11: Evaluation Team**

Competitive procurement processes require an evaluation team responsible for reviewing and rating the compliant bids.

Evaluation team members must be made 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.

**7.2.12 Mandatory Requirement #12: 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.

**7.2.13 Mandatory Requirement #13: Winning Bid**

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.



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#### **7.2.14 Mandatory Requirement #14: Non-Discrimination**

Organizations must not discriminate or exercise preferential treatment in awarding a contract to a supplier as a result of a competitive procurement process.

#### **7.2.15 Mandatory Requirement #15: Executing the Contract**

The agreement between the Organization and the successful supplier must be formally defined in a signed written contract before the provision of supplying goods or services commences.

Where an immediate need exists for goods or services, and the Organization and the supplier are unable to finalize the contract as described above, an interim purchase order may be used. The justification of such decision must be documented and approved by the appropriate authority.

#### **7.2.16 Mandatory Requirement #16: 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., a form of agreement was not released with the procurement document), the agreement between the Organization and the successful supplier must be defined formally in a signed written contract before the provision of supplying goods or services commences.

#### **7.2.17 Mandatory Requirement #17: Termination Clauses**

All contracts must include appropriate cancellation or termination clauses. Organizations should seek legal advice on the development of such clauses.

When conducting complex procurements, organizations should consider, as appropriate, the use of contract clauses that permit cancellation or termination at critical project life-cycle stages.

#### **7.2.18 Mandatory Requirement #18: Term of Agreement Modifications**

The term of the agreement and any options to extend the agreement must be set out in the competitive procurement documents. An approval by an appropriate authority must be obtained before executing any modifications to the term of 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.

#### **7.2.19 Mandatory Requirement #19: Contract Award Notification**

For procurements valued at \$100,000 or more, Organizations must post, in the same manner as the procurement documents were posted, contract award notification. The notification must be posted after the agreement between the successful supplier and the Organization was executed. Contract award notification must list the name of the successful supplier, agreement start and end dates, and any extension options.

#### **7.2.20 Mandatory Requirement #20: Supplier Debriefing**

For procurements valued at \$100,000 or more, Organizations must inform all unsuccessful suppliers about their entitlement to a debriefing.

Organizations must allow unsuccessful suppliers 60 calendar days following the date of the contract award notification to request a debriefing.

#### **7.2.21 Mandatory Requirement #21: Non-Competitive Procurement**

- i) Organizations should employ a competitive procurement process to achieve optimum value for money. It is recognized, however, that special circumstances may require Organizations to use non-competitive procurement.



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Organizations may utilize non-competitive procurement only in situations outlined in the exemption, exception, or non-application clauses of the AIT or other trade agreements.

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

- ii) School boards may utilize a non-competitive procurement process for the procurement of student home to school transportation services for the period July 1, 2011 to December 31, 2011.

### ***7.2.22 Mandatory Requirement #22: Contract Management***

Procurements and the resulting contracts must be managed responsibly and effectively.

Payments must be made in accordance with provisions of the contract. All invoices must contain detailed information sufficient to warrant payment. Any overpayments must be recovered in a timely manner.

Assignments must be properly documented. Supplier performance must be managed and documented, and any performance issues must be addressed.

To manage disputes with suppliers throughout the life of the contract, Organizations should include a dispute resolution process in their contracts.

For services, organizations must:

- 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 claim and reimbursement rules compliant with the Broader Public Sector 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.

### ***7.2.23 Mandatory Requirement #23: Procurement Records Retention***

For reporting and auditing purposes, all procurement documentation, as well as any other pertinent information must be retained in a recoverable form for a period of seven years.

Organizations must have a written policy for handling, storing and maintaining the suppliers' confidential and commercially sensitive information.

### ***7.2.24 Mandatory Requirement #24: Conflict of Interest***

Organizations must monitor any conflict of interest that may arise as a result of the 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 an appropriate mitigating action must be taken.

### ***7.2.25 Mandatory Requirement #25: Bid Dispute Resolution***

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

## **8. OTHER RELATED POLICIES**

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



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Organizations may also be subject to various trade agreements, including but not limited to the Agreement on Internal Trade (AIT) and the Ontario–Quebec Trade and Cooperation Agreement (Ontario–Quebec Agreement).

## **9. DEFINITIONS**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

“Organizations” means all organizations listed in Application and Scope, Section 2 [of the (1-Jul-11) Broader Public Sector Procurement Directive].

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

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

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

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



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

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

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

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

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

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

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

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

“Trade Agreements” means any applicable trade agreement to which Ontario is a signatory

“Supplier Debriefing” means a practice of informing a supplier why their bid was not selected upon completion of the contract award process.