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| Links | FORM A2500-1 |
| Contact | Business Services |

1. Purpose

- 1.1 This Administrative Procedures Memorandum (APM) provides direction to employees of the Simcoe County District School Board (SCDSB) with regard to the purchase of goods or services, regardless of the funding source.

2. Code of Ethics (as outlined through Ontario's Broader Public Sector (BPS) Procurement Directive.

2.1 Personal Integrity and Professionalism

All board employees must act, and be seen to act, with integrity and professionalism. Honesty, care and due diligence must be integral to all purchasing activities, qualified suppliers and other stakeholders. Respect must be demonstrated for each other and for the environment. Confidential information must be safeguarded. Board employees must not accept gifts and favours, provide preferential treatment, publicly endorse suppliers or products or engage in any other activity that would create, or appear to create a conflict of interest.



2.2 Accountability and Transparency

Purchasing activities must be open, accountable and adhere to the Broader Public Sector Procurement Directive. In particular, tendering and request for proposals, 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.

2.3 Compliance and Continuous Improvement

All board employees must comply with this Code of Ethics and the laws of Canada and Ontario. All board employees will continuously work to improve policies and procedures, to improve knowledge and skill levels, and to share leading practices.

3. General

3.1 The board shall not purchase goods or services for the personal use of its employees.

3.2 The board shall not purchase goods or services from its employees or from board employees who are employed by another organization to sell goods or services except where allowed under the Education Act (s217) and the Income Tax Act.

3.3 Purchases made in the name of the board without the proper authorization shall not be an obligation of the board. An employee who makes an unauthorized purchase may be held personally responsible for the purchase and may be subject to disciplinary action.

4. Definitions

4.1 Addendum

An addendum is prepared if modifications to the competitive bid document is necessary (e.g. amending, adding or deleting information due to errors, conflicts or deficiencies in the document).

4.2 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.



4.3 Consulting Services

Is the provision of expertise or strategic advice that is presented for consideration and decision making.

4.4 Goods or Services

Goods or services include goods, construction and services, including but not limited to information technology and consulting services.

4.5 Emergencies

An unforeseen situation where urgency exists and the goods or services cannot be obtained by means of open procurement process. Emergencies may include such items as a building shutdown, health and safety, vandalism, fire, flood, etc.

4.6 Request for Expression of Interest (RFEI)

A RFEI is used to gather information on supplier interest in an opportunity or information on supplier capabilities and/or qualifications. This mechanism may be used when the board wishes to gain a better understanding of the capacity of the supplier community to provide the services or solutions needed. Information collected can also facilitate selecting the best possible method for a follow-up competition. A response for RFEI must not pre-qualify a potential supplier and must not influence their chances of being the successful respondent on any subsequent opportunity.

4.7 Request for Information (RFI)

A RFI is used to gather general supplier or product information. This mechanism may be used when researching a contemplated procurement and the board has not yet determined what characteristics the ideal solutions would have (e.g. when someone desires a new warehouse management system but is unsure of which features are most important and needs more information to understand what is available and what are the suppliers' capabilities). A response for RFI must not pre-qualify a potential supplier and must not influence their chances of being the successful respondent on any subsequent opportunity.

4.8 Request for Proposal (RFP)

A RFP is used to request a supplier 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. A RFP is used for goods or services \$100,000 and over.

4.9 Request for Quotation (RFQ)

A RFQ document is an invitational bid process for obtaining a competitive bid for goods or services under \$100,000.



4.10 Request for Tender (RFT)

A RFT is a document used to request supplier responses to supply goods or services based on stated delivery requirements, performance specifications, terms and conditions. The evaluation criteria are predominantly based on price, delivery, and/or ability to do the work. An RFT is used for goods or services \$100,000 and over.

4.11 Single Source Procurement

Single Sourcing is 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 (FORM A2500-1a attached).

4.12 Sole Source Procurement

Sole Sourcing is the use of a non-competitive procurement process to acquire goods or services where there is only one available supplier for the source of goods or service (FORM A2500-1a attached).

4.13 Supplier Pre-Qualification (SPQ)

A request for supplier qualification enables the Board to gather information about supplier capabilities and qualifications in order to pre-qualify suppliers for an immediate product or service or to identify qualified candidates in advance of expected future competitions.

5. Purchasing Authority Levels

5.1 Approved budget funds must be available prior to any procurement. Where a competitive bid process is required, evidence of approved budget funds may be requested.

5.2 Approval for purchases must be based on the total estimated value of the procurement, including any agreed upon renewals and excluding applicable sales taxes.

6. Signing Contracts

6.1 All contracts or agreements involving the purchase of goods or services for the board shall be signed by the director of education or designate.

6.1.1 An authorized buyer from Business Services will sign and issue the purchase orders



7. Procurement Process

7.1 Cheque requisitions are to be used only when goods or services cannot be purchased by a purchase order or a P-Card.

7.2 The procurement process as outlined in the table below is required where the estimated value of goods or services fall within the thresholds identified.

| VALUE | PROCEDURE |
|---|---|
| GOODS OR SERVICES | |
| \$100,000 or more | RFP or RFT (Open Competitive Process) |
| \$10,000 to \$99,999 | RFQ (Invitational Competitive Process) (a minimum of three (3) suppliers are to be invited to bid) |
| \$50 to \$9,999 | Purchase order |
| < \$2,500 | P-Card |
| Elementary up to \$500 Secondary up to \$3,000 | Petty Cash |
| >\$10,000 | Single/Sole Source Director or designate) |
| CONSULTING SERVICES | |
| \$100,000 or more | RFP |
| \$0 up to but not including \$100,000 | RFQ |

7.3 Division of requirements into multiple procurements to reduce the estimated value of a single procurement and avoid the application of the identified value thresholds is not permitted.

7.4 Where an unforeseen situation, in which time is of the essence, practical for cost or from an emergency or urgency standpoint, quotations may be obtained from pre-selected vendors, where available, rather than calling for sealed tenders. Prior approval must be obtained by e-mail from the appropriate manager and the controller. A copy of all quotes must be submitted to the assistant manager of contract management and education centre services prior to an information update going to Board.



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- 7.5 During the competitive bid process only the board designated contact(s) may communicate with potential suppliers.
 - 7.6 Every competitive process must establish evaluation criteria. Evaluation criteria must be developed, reviewed and approved by the appropriate buyer and the project co-ordinator before the competitive process begins. These criteria must be included in the competitive documents. The competitive documents must also identify those criteria that are considered mandatory and any technical standards that need to be met. The evaluation criteria can only be changed or altered through an addendum once the competitive process has begun.
 - 7.7 All employees, advisors, external consultants and suppliers must consider any conflicts of interest during the competitive process. Any individual involved in the competitive process, including the evaluation of any competitive bid, must declare all actual or potential conflicts of interest.
 - 7.8 Calls for competitive bids must have a minimum response time of fifteen (15) calendar days for bid documents valued at \$100,000 or more.
 - 7.9 In accordance with the Agreement on Internal Trade (AIT), a call for open competitive bid shall be posted to at least two electronic tendering system websites.
 - 7.10 Each member of the evaluation team (if required) must complete an evaluation matrix which rates each of the respondents. Records of evaluation scores must be returned to Business Services. Evaluators must be aware that everything they say or document must be fair, factual, and fully defensible and may be subject to public scrutiny.
 - 7.11 Employees must not discriminate or exercise preferential treatment in awarding a contract to a supplier as a result of a competitive procurement process.
 - 7.12 All contracts must include appropriate cancellation or termination clauses.
 - 7.13 The term of the agreement and any options to extend the agreement must be set out in the bid document.
 - 7.14 In rare or exceptional circumstances where a single or sole source prevents a competitive bid process from taking place, the Sole or Single Source Form (FORM A2500-1 attached) with supporting documentation must be completed, approved and given to the appropriate buyer. Approval will be obtained from the Director or designate prior to commencement of non-competitive procurement.



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- 7.15 The process for receiving and of opening bids is as follows:
- 7.15.1 Each bid is stamped upon arrival at the Education Centre's reception desk with the date and time. The reception desk stamp clock will be the deciding time.
 - 7.15.2 Bids are opened after the competitive process has closed.
 - 7.15.3 Bids are opened by one (1) authorized representative from Business Services and one (1) other board employee in attendance.
 - 7.15.4 Bid documents are generally opened in public at the board office following submission of responses. However, the board reserves the right to open responses in private.
 - 7.15.5 Late bids will be received, stamped and returned unopened.
- 7.16 In the situation of compliant identical bids, the suppliers will be invited to witness a coin toss to determine the successful bidder. Under no circumstance will the award be divided between suppliers submitting identical bids.
- 7.17 If a single bid has been received, a written authorization to open with no obligation to accept must be obtained from the bidder before the bid is opened. The written authorization must be put into the file. An explanation will be placed in the file stating an understanding of why only one bid was received.
- 7.18 The lowest or any proposal may not necessarily be accepted. The board reserves the right to decline any or all proposals, in whole or in part, for due reason, at any time prior to making an award. The decision by the board may be governed by the consideration of all factors that have an impact upon the ultimate cost of the project, the completion date, or the experience and capability of the bidder(s).
- 7.19 Competitive bidding may be broken down and awarded by location, goods or services.
- 7.20 Where the successful respondent has been selected and an immediate need exists for goods or services, and the contract has not been finalized, an interim purchase order may be used. The justification of such decision must be documented and approved by Superintendent of Business or designate.



- 7.21 Where a Board report is required, the report is to be reviewed prior to issuance to ensure compliance with the competitive bid process by the assistant manager of contract management and education centre services or designate.
- 7.22 For purchases valued at \$100,000 or greater for goods or services and the name(s) of the successful supplier(s) must be posted in the manner as outlined in the bid documents.
- 7.23 The bid protest procedures, as defined in the AIT, for suppliers are to be documented in all competitive bid documents to ensure that any dispute is handled in a reasonable and timely fashion.
- 7.24 In a RFP only the highest ranked compliant submission(s) is to be awarded the contract.
- 7.25 When purchasing commodities that have been contracted by an outside entity; the assistant manager of contract management and education centre services will ensure that the BPS Procurement Directive had been followed and documented.
- 7.26 For purchases valued at \$100,000 or greater, the buyer must inform all suppliers who participated in the procurement process of their entitlement to a debriefing.

8. Approvals

- 8.1 Purchases of goods or services over \$100,000 will require Board approval after the competitive bid process only if bid exceeds the approved budget. In these situations, the signature of either the director of education or designate will be required. Business Services will submit a report to Business Services/Facility Committee on a monthly basis on awarded contracts within budget.
- 8.2 Any change order which increases the approved cost of a project must be submitted to the director of education and the Board for approval.

9. Contract of Employment or Contract for Services

- 9.1 When the board requires the services of an individual, it is necessary to determine whether the nature of the job requires a contract of employment with the individual or a contract for services. Contracts for services shall be awarded after consultation with the superintendent of human resources services and organizational development to ensure that such contracts are not considered contracts of employment.



10. Customs for Out of Country Purchases

- 10.1 Whenever an order is sent from outside of Canada the board's custom broker clears the package, pays the applicable taxes and schedules entry.
 - 10.1.1 All fees and taxes associated with clearing the package will be charged to the same account as the original purchase.
 - 10.1.2 Goods on consignment or free of charge are subject to fees and taxes based on the value of the product as determined by the vendor.

11. Disposal of Obsolete and Surplus Furniture and Equipment

- 11.1 Every effort will be made to find further uses within the system for furniture and equipment that has been declared as surplus (excluding technical equipment). Departments or schools that have surplus furniture and equipment are required to contact Business Services. Items that are considered to be of further value to the system will be added to the boards existing inventory.
- 11.2 For removal of items that have been deemed as surplus, and have no value to the board, contact a buyer in Business Services. These items are moved to storage where arrangements will be made for recycling.

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 March 2011

Issued under the authority of the Director of Education



SOLE OR SINGLE SOURCE PROCUREMENT

To be compliant with the Purchasing Policy, APM and the BPS Procurement Directive purchase of good & services are subject to a competitive bid process. In rare or exceptional circumstances where a single or sole source prevents a competitive bid process from taking place this form must be completed and returned to the Purchasing Department, Attn: Assistant Manager of Purchasing or appropriate buyer before the requisition or contract can be approved.

Single Sourcing is 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, services.

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

FOR THE ACQUISITION OF GOODS OR SERVICES

To ensure optimal value is obtained, fair market value (FMV) must be demonstrated where noted below.

This acquisition is intended for the following:

Good or service description: _____

Recommended supplier name: _____

Proposed contract value: _____

Select the reason that applies:

Single Sourcing

Allowable exceptions for competitive procurements include:

- Where an unforeseen situation of urgency exists and the goods or services cannot be obtained by means of open procurement procedures. Where a non-competitive procurement is required due to an urgent situation, SCDSB may conduct the procurement prior to obtaining the appropriate approvals provided that the urgency has been justified in writing by email to the appropriate manager and controller;
- Where goods or consulting 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;



- 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;
- 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;
- Where an open competitive process could interfere with SDCSB's ability to maintain security or order or to protect human, animal or plant life or health;
- Where there is an absence of any bids in response to an open competitive process that has been conducted in compliance with this document; and
- Where only one supplier is able to meet the requirements of procurement in the circumstances (sole sourcing).

Sole Sourcing

In the situation where only one supplier is able to meet the requirements of a procurement, SCDSB may use procurement procedures in the following circumstances:

- 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;
- 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;
- For the procurement of goods or services, the supply of which is controlled by a supplier that is a statutory monopoly;
- For the purchase of goods on a commodity market;
- For work to be performed on or about a leased building or portions thereof that may be performed only by the lessor;
- 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;
- For a contract to be awarded to the winner of a design contest;
- 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;
- For the purchase of goods under exceptionally advantageous circumstances such as bankruptcy or receivership, but not for routine purchases;
- For the procurement of original works of art;
- Other reasons not listed above.



Rationale: Explain why the Supplier requested is the only one that can satisfy the requirements, as well as why alternatives are unacceptable. Attach additional page(s) if necessary.

SAMPLE

I understand and accept that the Simcoe County District School Boards APM A2500 requires 3 quotations from different suppliers (for goods or services valued in excess of \$10,000), or formal competitive bids (for goods or services valued over \$100,000). I have attached the required back-up documentation in support of the selected condition(s), and I also acknowledge that the order has NOT been placed with the supplier until authorized to do so by the signing authorities below.

(*Requester and second signing authority cannot be the same person.)

| Signing Authority | Requester* (regardless of value) | Buyer Review and confirm single/sole source | >\$10,000 Director of Education or designate |
|-------------------|-------------------------------------|---|--|
| Printed Name | | | |
| Signature | | | |

The signature of the Director of Education or designate indicates that this purchase falls within the reasons as noted above. Once this request has been approved, a PO will be issued or a contract signed in accordance with the details specified on the Requisition.

Date