

PROCUREMENT POLICY

2024.04



WE VALUE CHILDREN AND ARE RESPECTFUL AND SENSITIVE TO THEIR NEEDS.



Contents

1	Purpose & Principles	1
2	Applicability	1
3	Procurement Process	2
4	Approval Authority, Segregation of Duties and Procurement Thresholds.....	3
5	Procurement Methods	3
6	Procurement Process Management	5
	Definitions	9
	Appendix A—Approval Authorities Schedule	11



1 Purpose & Principles

The Policy is intended to ensure that the Agency:

- 1.1.1 meets the expectations of First Nations communities, which expect funds to be used with honesty, due diligence and care;
- 1.1.2 acquires goods and services through a fair, open, transparent and accountable, process accessible to qualified suppliers and consistent with the provisions set forth in applicable trade agreements, directives and guidelines;
- 1.1.3 acquires goods and services in a manner that is timely, economical, provides value for money and meets the Agency's requirements and objectives;
- 1.1.4 follows a consistent and standardized process for applicable procurements;
- 1.1.5 establishes clear roles and responsibilities for staff, managers and the Board, with respect to the procurement process;
- 1.1.6 ensures that employees involved with procurement activities conduct themselves with integrity and professionalism, show respect for each other and the environment, and safeguard confidential information. The Agency should not engage in any activity that creates, or appears to create, a conflict of interest; and
- 1.1.7 procures the right product at the right time to enable efficient and effective front-line services.

2 Applicability

- 2.1.1 This Policy applies to all procurements conducted by the Agency, unless otherwise provided for in this Policy.
- 2.1.2 This Policy does not apply to:
 - a) Transfer payments;
 - b) Data sharing agreements;
 - c) Conferences or courses, seminars commissioned by the Agency; and
 - d) Procurements funded with contributions or grants from sources other than the Government of Ontario. Such procurement may be subject to this policy at the discretion of the Executive Director and Board of Directors.
- 2.1.3 Procurements may be subject to related policies and directives issued by the Agency and by the Ontario or Canadian federal governments, as well as funding agreements with governments or other organizations. These include, but may not be limited to:
 - a) The Ontario government's Supply Chain Code of Ethics, which the Agency has formally adopted, and which complements, rather than replaces or supersedes the Agency's values and code of ethics. The supply chain code of ethics governs the conduct of buyers, suppliers and all others involved in supply chain / purchasing / procurement activities. It defines acceptable behaviour to ensure ethical, professional, and accountable conduct.
 - b) The Ontarians with Disabilities Act, 2001 (ODA), the Accessibility for Ontarians with Disabilities Act, 2005 (AODA) and its regulations.
 - c) Trade agreements.



3 Procurement Process

3.1 General

- 3.1.1 The process used for a given procurement will be based on the nature and value of the procurement.
- 3.1.2 All non-urgent purchases, regardless of value, should be approved by the authorities indicated in this Policy.
- 3.1.3 Urgent procurements may be initiated before approvals are obtained. However, all appropriate approvals must be obtained before an agreement is signed.
- 3.1.4 Procurement of goods and services with a procurement value less than \$30,000 should follow the principles of this policy even if a formal, competitive procurement is not undertaken.
- 3.1.5 All procurements or purchases regardless of price or form of payment (credit card, cheque, cash, etc.) will require prior approval.
- 3.1.6 Larger procurements must not be sub-divided into smaller ones to circumvent process and approval requirements (e.g., based on procurement thresholds) established within this Policy.
- 3.1.7 All procurements must be fully funded through either general revenue or under grants or funding agreements, unless specifically exempted by the authority of the Agency's board of directors.
- 3.1.8 All procurement approvals shall follow the delegation of authorities in Section 4 of this Policy.
- 3.1.9 Only the Executive Director shall have the authority to sign contracts, regardless of value.
- 3.1.10 All procurement approvals shall be documented in writing and retained for the minimum period specified for seven (7) years.
- 3.1.11 Every reasonable effort must be made to give legitimate suppliers the opportunity to present their products or services to the Agency.
- 3.1.12 All suppliers must be treated fairly and equally.

3.2 Pre-procurement / pre-purchase

- 3.2.1 Several steps must be undertaken before initiating a procurement process:
- 3.2.2 An estimated total contract value and budget should be determined, including any subsequent phases or related procurements.
- 3.2.3 Budget and purchase request approval must be obtained according to the Agency's established approval authorities, including approval from the Executive Director and / or Board of Directors, as appropriate.
- 3.2.4 If the value of the procurement is expected to rise following initiation of a procurement process and after approval, then a new approval must be sought for the amended value.



- 3.2.5 The Executive Director, Director of Finance and Board of Directors are responsible for ensuring that only accredited and reputable suppliers are selected to supply goods and services.

4 Approval Authority, Segregation of Duties and Procurement Thresholds

- 4.1 All procurements must be approved based on the approval authority schedule (AAS) specified in Appendix A—Approval Authorities Schedule.
- 4.2 The Agency must segregate at least 3 of the 5 functional procurement roles: Requisition, Budgeting, Commitment, Receipt and Payment. Responsibilities for these roles must be placed with different individuals.
- 4.3 Any exemptions to these approval authorities or procurement methods must comply with applicable trade agreements.
- 4.4 Consultants should not typically supervise staff or perform a management role.

5 Procurement Methods

The specific procurement method selected should be based on the type of good or service being purchased as well as the related value, complexity, and risk. Potential methods include but are not limited to: Request for Quote (RFQ), Request for Supplier Pre-qualification (RFSQ), Request for Proposal (RFP), Advanced Contract Award Notice (ACAN). Other processes may be used to gather information outside of formal procurement.

5.1 Information Gathering

- 5.1.1 Formal processes, such as a Request for Information (RFI) or Request for Expression of Interest (RFEI) may be used in situations where the Agency requires more information on suppliers, goods, or services, taking into consideration the time and effort required to conduct them.
- 5.1.2 A response to RFI or RFEI must not be used to pre-qualify a potential supplier and must not affect a participating or non-participating supplier's ability to bid or be awarded any subsequent opportunity.

5.2 Supplier Pre-qualification

- 5.2.1 The Agency may use a Request for Supplier Qualification (RFSQ) process as a precursor to a Request for Proposal (RFP) or to establish a Vendor of Record (VoR). The RFSQ helps to assess supplier capabilities and qualifications and pre-qualify a limited number of suppliers for goods or services.
- 5.2.2 The RFSQ must contain language that disclaims any obligation, on the Agency's part, to call on any pre-qualified supplier to provide goods or services. It should explicitly state that there are no guarantees of volumes or dollar amounts for purchases under any agreement resulting from the RFSQ.
- 5.2.3 RFSQs may lead to the establishment of a Vendor of Record.

5.3 Vendors of Record (VoR)

- 5.3.1 Whenever possible and practicable, the Agency must make use of VoR arrangements established by the Agency, the Ontario government, the Canadian



federal government (e.g., [Ontario Gov. VoR - Buyer Registration](#)) or Group Purchasing Organizations, such as [Mohawk Medbuy](#).

- 5.3.2 For VoRs established by the Agency, a VoR ceiling price should be established for related supplier agreements.
- 5.3.3 A VOR User Guide should be developed for Agency specific VOR arrangements. These guides should include information about the VOR, as well as supplier contact information, pricing, contract ceiling price and goods or services included in the arrangement.
- 5.3.4 For VoR arrangements with multiple vendors, the Agency must undertake a second-stage process in accordance with the approval authorities contained in this policy or those established in the VoR arrangement itself.
- 5.3.5 The Agency must issue a specific request, such as a Request for Services (RFS) or Rostering Request. Rostering Requests shall comply with the process established in the original VoR.

5.4 Non-competitive Procurements

- 5.4.1 The Agency should employ a competitive procurement process to optimize value for money. However, circumstances may require the Agency to use non-competitive procurement.
- 5.4.2 Non-competitive procurement of goods or services should typically only be undertaken when there is an urgent need that cannot be met by any other means.
- 5.4.3 The Agency may use non-competitive procurement only in situations outlined in the exemption, exception, or non-application clauses of the AIT or other trade agreements, government directives or Agency policies.
- 5.4.4 Such situations may include but are not limited to, not receiving any responses to a competitive procurement process, a unique product or service only available from a single supplier or for confidentiality or security reasons.
- 5.4.5 Non-competitive procurement may also be considered when procuring goods or services, which are primarily intended for Indigenous people. In such cases, the procurement should have a significant impact on or benefit for Indigenous people, communities, or business. An Indigenous business must be 51% or more owned and controlled by an Indigenous person(s). In the case of a joint venture or consortium, 51% must be controlled and owned by an Aboriginal business or businesses and at least one third of the value of the work performed under the contract must be done by an Indigenous business, which is either a partner or sub-contractor.
- 5.4.6 Supporting documentation must be completed and approved by the Director of Finance prior to commencement of a non-competitive procurement. This may include approvals from the Executive Director and the Agency's Board of Directors.

5.5 Advanced Contract Award Notice (ACAN)

- 5.5.1 At its own discretion, the Agency may issue an Advanced Contract Award Notice in accordance with the applicable Ontario government procurement directive. ACAN's must be approved by the Executive Director and the Board of Directors.



6 Procurement Process Management

6.1 Posting Competitive Procurement Documents

- 6.1.1 Procurement documents must be in writing and include sufficient details, including, but not limited to: background, objectives, scope, response requirements, detailed description of the goods and services / specifications, performance expectations etc. to enable the fair evaluation of suppliers against objective criteria. The documents should also include either actual or estimated quantities of goods or services being procured.
- 6.1.2 Requirements should consider factors relevant to each procurement, such as: total cost of ownership, transition costs, delivery costs, servicing requirements, environmental considerations, experience, expertise, financial capacity, etc.
- 6.1.3 If there are any changes to the procurement documents after they are released to suppliers, these must be issued as amendments. The Agency should consider extending the response time if the addition or amendment is significant. However, there is no obligation to do so.
- 6.1.4 Any addenda must be released in a timely manner, such that bidders have sufficient time to update their proposals, if required.
- 6.1.5 The procurement document should include a pricing template, clearly indicating the pricing items and quantities / volumes to enable like-for-like comparison of pricing submissions.
- 6.1.6 For procurements related to multi-year agreements, the Agency should establish conditions under which price changes are permitted, as well as the nature and degree of such price changes.
- 6.1.7 For all procurements, the Agency should consider establishing page limits to enable focused responses and efficient review and evaluation.
- 6.1.8 Competitive procurement documents must outline bid dispute resolution procedures to ensure that any dispute is handled in an ethical, fair, reasonable, and timely fashion.

6.2 Timelines for Posting Competitive Procurement Documents

- 6.2.1 For procurement of goods and services valued at \$100,000 or more the Agency must provide suppliers with a minimum response time of 15 calendar days.
- 6.2.2 For complex, high risk, high value procurements, the Agency must consider providing a minimum response time of 30 calendar days.
- 6.2.3 Bid submission date and closing time must be clearly stated in competitive procurement documents. The closing date must be on a normal working day (Monday to Friday, excluding provincial and national holidays).

6.3 Bid Administration, Receipt & Dispute Resolution

- 6.3.1 Calls for open competitive procurements must be made through an electronic tendering system that is readily accessible by all Canadian suppliers.
- 6.3.2 Submissions that are delivered after the closing time must be returned unopened or remain unopened, if submitted electronically.
- 6.3.3 Bid dispute resolution procedures must comply with bid protest or dispute resolution procedures set out in the applicable trade agreements.



- 6.3.4 Employees and board members must avoid communicating with potential suppliers during a procurement process.
- 6.3.5 Any supplier communication during the procurement process should be forwarded to the Director of Finance.
- 6.3.6 Any information provided to potential suppliers during the procurement process must be consistent, not conflict with anything in the procurement documents and made available to all suppliers.
- 6.3.7 Responses to supplier questions that are of a commercially confidential or sensitive nature may be directed solely to the supplier posing the question.

6.4 Bid Evaluation Criteria

- 6.4.1 Evaluation criteria must be developed, reviewed, and approved by the Director of Finance prior to commencement of the competitive procurement process.
- 6.4.2 Competitive procurement documents must clearly outline mandatory, rated, and other criteria that will be used to evaluate submissions, including the scoring weight assigned to each criterion. Mandatory criteria (e.g., technical standards) should be kept to a minimum to ensure that no bid is unnecessarily disqualified.
- 6.4.3 Maximum justifiable weights must be allocated to the price or commercial submission.
- 6.4.4 All criteria must comply with non-discrimination clauses of applicable procurement directives, i.e., there must not be any discrimination or preferential in the evaluation or award of contract to a supplier.
- 6.4.5 The evaluation criteria are to be altered only by means of addendum to the competitive procurement documents.
- 6.4.6 The Agency may request suppliers to provide alternative strategies or solutions as a part of their submission. The Agency 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.

6.5 Bid Evaluation Disclosure, Evaluation Team, Conflict-of-interest, Evaluation Matrix, Winning Bid & Non-discrimination

- 6.5.1 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.
- 6.5.2 An evaluation team must be established prior to the evaluation of proposals submitted in response to a competitive procurement process.
- 6.5.3 Evaluation team members must be made aware of the restrictions related to the use 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.
- 6.5.4 Evaluation team members must sign a conflict-of-interest declaration and non-disclosure of confidential information agreement.
- 6.5.5 Each evaluation team member must complete an evaluation matrix, rating each of the submissions. Records of evaluation scores must be retained for audit purposes.



- 6.5.6 Evaluators must ensure that everything they say or write about submissions is fair, factual, and fully defensible.
- 6.5.7 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.
- 6.5.8 The Agency must not discriminate or exercise preferential treatment in awarding a contract to a supplier because of a competitive procurement process.

6.6 Contract Clauses, Term, Awards, Award Notification, Contract Execution

- 6.6.1 The agreement between the Agency and the successful supplier must be formally defined in a signed written contract before the provision of goods or services.
- 6.6.2 Where an immediate need exists for goods or services, and the Agency and the supplier are unable to finalize the contract as described above, an interim purchase order may be used. The justification for such a decision must be documented and approved by the Executive Director and the Board of Directors.
- 6.6.3 The contract must be finalized using the form of agreement that was released with the procurement documents.
- 6.6.4 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 Agency and the successful supplier must be defined formally in a signed written contract before the provision of supplying goods or services commences.
- 6.6.5 All contracts must include appropriate cancellation or termination clauses.
- 6.6.6 The Agency should seek legal advice on the development of such clauses. When conducting complex procurements, the Agency should consider, as appropriate, the use of contract clauses that permit cancellation or termination at critical project life-cycle stages.
- 6.6.7 The term of the agreement and any options to extend the agreement must be set out in the competitive procurement documents. Approval by the Executive Director and / or the Board of Directors, as per Appendix A—Approval Authorities Schedule, must be obtained before executing any modifications to the agreement term.
- 6.6.8 The agreement must include a ceiling price, which must not exceed the approved procurement value.
- 6.6.9 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.

6.7 Post Contract Award and Execution; Records Retention

- 6.7.1 For procurements valued at \$100,000 or more, the Agency must post a contract award notice, in the same manner as the procurement documents were posted. The notice must be posted after the agreement between the successful supplier and the Agency is executed. The contract award notice must list the name of the successful supplier, agreement start and end dates, and any extension options.
- 6.7.2 For procurements valued at \$100,000 or more, the Agency must inform all unsuccessful suppliers about their entitlement to a debrief.
- 6.7.3 The Agency must allow unsuccessful suppliers 60 calendar days following the date



of the contract award notification to request a debrief.

6.7.4 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.

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

6.8 Contract Management and Renewals / Extensions

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

6.8.2 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.

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

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

6.8.5 Contract renewals or extensions are only permitted for agreements established via an open competitive procurement or VOR arrangement. Prior to executing any renewals or extensions, the Agency must ensure that the supplier has performed satisfactorily; all necessary approvals have been obtained; the scope is consistent with the original procurement documents; and the value of the agreement does not exceed the ceiling price established in the original procurement or VoR arrangement, unless an exception has been authorized per the approval authorities stated in this Policy.

6.9 Other

6.9.1 The Agency must monitor any conflict of interest that may arise because of the board members', employees', advisors', external consultants', or suppliers' involvement with the procurement activities.

6.9.2 Individuals involved with the procurement must declare actual or potential conflicts of interest. Where a conflict of interest arises, it must be evaluated, and an appropriate mitigation must be implemented.



Definitions

Bid dispute resolution means a provision in the competitive procurement documents that outlines procedures to ensure that any protest to a bid 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.

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.

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.

Electronic Tendering System means a computer-based system that provides vendors with access to information related to open competitive procurements. Examples of electronic tendering systems are bidsandtenders.ca, gobonfire.com and ontariotenders.app.jaggaer.com

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.

Invitational competitive procurement means any form of requesting a minimum of three qualified suppliers to submit a written proposal in response to the defined requirements outlined by an individual/ organization.

Open competitive procurement means the contractual acquisition (purchase or lease) by an organization of any good or service, which enables all suppliers to compete in a fair and open environment. In order to reach a large population of potential suppliers, organizations should use common electronic tendering methods for posting competitive documents.

Procurement means the acquisition by any means, including by purchase, rental, lease or conditional sale, of goods, services or construction.

Request for Information—a process that entails issuing a document to collect comparative information from suppliers in a structured format. Often used as a precursor to formal procurement in order to understand market availability and capabilities.

Request for Proposal means a procurement document that requests vendors 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 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.

Request for Tender means a document used to request vendor responses to supply goods or services based on stated delivery requirements, performance specifications, terms and conditions. A Request for Tender usually focuses the evaluation criteria predominantly on price and delivery requirements.

Request for Quotation means a document similar to a Request for Tender where an organization describes exactly what needs to be purchased and the evaluation is based solely on price.

Trade Agreements means any applicable trade agreement to which Ontario is a signatory, for example, Agreement on Internal Trade and Ontario-Quebec Trade and Cooperation Agreement.

Vendor of Record Arrangement authorizes organizations to select a supplier from pre-qualified supplier(s) through a formal second-stage process, for a defined period, on terms and conditions set out in the Vendor of Record arrangement.



Appendix A—Approval Authorities Schedule

Goods and non-consulting services and Construction

Procurement Threshold based on Total Procurement Value	Procurement Method	Approval Authority
$\geq \\$0$ to $\leq \\$500$	Approved purchase request	Program Supervisors
$> \\$500$ to $\leq \\$1,800$		Program Managers
$> \\$1,800$ to $\leq \\$5,000$		Directors
$> \\$5,000$ to $\leq \\$15,000$		Business Manager
$> \\$15,000$ to $\leq \\$30,000$		Executive Director or Director of Finance
$> \\$30,000$ to $< \\$100,000$	Approved purchase request; Invitational competitive procurement (minimum of three suppliers are invited to submit a bid)	Chair of the Board or Vice Chair and Executive Director or Director of Finance
$\geq \\$100,000$	Approved purchase request; Open competitive process	Board of Directors

**Purchases of residential care (OPR) from an external resource must be approved by the Executive Director or designate, within the parameters of the approved boarding rate budget. Amounts exceeding this budget must be reviewed and approved by the Board of Directors for review.*

Consulting Services

Procurement Threshold based on Total Procurement Value	Procurement Method	Approval Authority
$\geq \\$0$ to $\leq \\$30,000$	Approved purchase request; Quote from 1 to 3 suppliers	Executive Director or Director of Finance
$> \\$30,000$ to $< \\$100,000$	Approved purchase request;	Chair of the Board or Vice Chair



Kunuwanimano Child and Family Services

	Invitational Competitive	and Executive Director or Director of Finance
> \$100,000	Approved purchase request; Open Competitive	Board of Directors
> \$100,000	Approved purchase request;	Board of Directors
> \$1,000,000	Non-competitive*	

*exemption-based only