

Procurement of Goods and Services, including Professional Services

Purpose

To help ensure that expenditures represent value for money spent while promoting fair dealings with vendors, the Agency shall:

- Ensure that goods and services, including construction, consulting services, and information technology are acquired through a process that is open, fair, and transparent;
- Outline the responsibilities of the Agency throughout each stage of the procurement process; and
- Ensure that procurement processes are managed consistently throughout the Agency

Application and Scope

This policy applies to the planning, acquisition and management of goods and services including, consulting and professional services.

The principles and requirements of this policy apply to all Agency acquisitions other than those specifically excluded within this policy.

Any exception to this policy shall be justified and documented.

For greater clarity on terms used in this document, please refer to Appendix 'A' definitions.

This policy will be implemented on a phase by phase basis as outlined in Appendix 'B'.

BROADER PUBLIC SECTOR - SUPPLY CHAIN CODE OF ETHICS

GOALS

To ensure an ethical, professional and accountable Broader Public Service Supply Chain

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 with and between BPS organizations, suppliers and other stakeholders. Respect must be demonstrated for each other and the environment. Confidential information must be safeguarded. Participants must not engage in any activity that may create, or appear to create,

a conflict of interest, such as accepting gifts or favours, providing preferential treatment, or publicly endorsing suppliers or products.

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.

Compliance and Continuous Improvement

Individuals involved with purchasing or other Supply Chain activities must comply with the 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.

Principles and Guidelines

Subject to the provisions and exemptions contained in this Policy, the overall objective is to acquire and supply at the right time and in the most economical manner the goods and services needed to meet Agency mandatory requirements in keeping with the following principles and guidelines:

Planning

- a) Subject to the provisions contained in this Policy, goods and services shall be acquired only after consideration of the needs, alternatives, appropriateness of good or service for the purpose required, timing and the overall Agency supply strategy.
- b) The basic rationale for each major type of planned expenditure of \$25,000 or greater shall be identified, justified and documented in a companion Business Plan (using an executive summary style) to the Agency's annual budget/forecast/estimate
- c) Justification for acquisitions of \$50,000 or greater not included in the Agency's annual budget/forecast/estimate will be documented separately

General Procurement Procedures

To ensure fair value for money and a competitive process the following purchasing thresholds

shall be used:

- a) Under \$5,000: no quote required;
- b) \$5,000 to \$9,999: minimum 2 documented written quotes are required;
- c) \$10,000 to \$99,999: minimum 3 documented written quotes are required; or a Vendor of Record is selected;
- d) \$100,000 to \$199,999: minimum RFP (Request for Proposal) or RFQ (Request for Quotation) must be used
- e) over \$200,000: minimum RFP (Request for Proposal) or Request for Tender (using sealed bids) must be used

Petty Cash (Goods)

1. Purchases under \$500 may be authorized by a Resource Manager and may be a purchase order/requisition form or be paid by Petty Cash.

Purchase Orders/Requisition Forms (Goods, Non-Consulting Services and Construction)

2. Purchases up to but not exceeding \$500.00 shall be obtained through the use of a purchase order/requisition form that is approved by the appropriate Resource Manager.

Purchases up to but not exceeding \$2,500 shall be obtained through the use of a purchase order/requisition form that is approved by the appropriate Director of Services/Director of Human Resources or up to \$8,000 approved by the Director of Finance And Administration.

Note: Regular ongoing expenditures do not require a purchase order/requisition form. Invoices for these expenses must be approved by the appropriate signing authority. These expenditures include but are not limited to: utilities, cell phones, telephones, taxes, legal services, and leases.

Competitive Procurement Thresholds

3. Purchases from \$5,000 up to but not including \$10,000 must be an **invitational competitive procurement process** where a minimum of two (2) suppliers are invited to submit a quote. Purchases over \$10,000 require a minimum of three (3) quotes. If three quotes are not obtainable, the reason for this shall be clearly documented. Where possible and cost feasible, it is preferable to obtain goods and services from a local vendor.

Competitive Procurement Process:

The competitive procurement process, invitational or open, shall be used in the following circumstances:

- Purchases of \$5,000 or over for goods, non-consulting services and construction; and
- Any valued purchase for professional/consulting services.

Dependent on the total procurement value, the appropriate authority approval is required as outlined in the Approval Authority Schedule above.

4. **Information Gathering**

Where results of informal supplier or product research are insufficient, the Agency shall use formal processes such as a Request for Information (RFI) or Request for Expression of Interest (RFEI) if warranted, taking into consideration the time and effort required to conduct them.

5. **Supplier Pre-Qualification**

The Agency, at its option, may choose to pre-qualify vendors. The pre-qualification process requires an assessment by a Selection Committee (composed of three senior Agency staff managers) of the possible bidders based on pre-established criteria which may include:

- a) brief outline of the size of the firm and range of experience with not-for-profit organizations;
- b) experience in providing services to child welfare organizations;
- c) specific qualifications of staff that could be assigned to the providing services to Agency;
- d) where results of informal supplier or product research are insufficient, the Agency may use a formal process such as a Request for Information (RFI) or Request for Expression of Interest (RFEI) if warranted, taking into consideration the time and effort required to conduct them; and
- e) A response to an 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.

The firms will be required to submit a letter of qualification which responds specifically to the pre-established criteria. All appropriate documentation throughout the selection process will be retained.

6. **Posting Competitive Procurement Documents**

When posting the request for proposal, quote or tender, the Agency ensures the procurement document shall include the following:

- a) the bid submission date and closing time information, with a minimum response time of 15 calendar days or 30 calendar days for high complex/cost tenders;
- b) clearly states Agency evaluation procedures, including the method of resolving tie score as listed in 8e; and
- c) clearly states that submissions that do not meet the mandatory criteria will be disqualified.

For **open competitive** procurements, the procurement document will be made available through an electronic tendering system that is readily available accessible by all.

7. **Submission of RFP's, RFQ's, and Tenders**

- a) The time, date and method of delivery shall be specified in the request document.

- b) Bids received later than the specified closing time shall be returned unopened to the bidder.
- c) A bidder who has already submitted a bid may submit a further bid at any time up to the official closing time and date specified by the request call. The last bid received shall supersede and invalidate all bids previously submitted by that bidder.
- d) A bidder may withdraw his or her bid at any time up to official closing time by letter bearing his or her signature as in his or her bid submitted to Purchaser.
- e) All bidders may be requested to supply a list of all subcontractors to be employed on a project. Any changes to the list of subcontractors or addition thereto must be approved by the Purchaser.

8. No Acceptable Bid or Equal Bids Received

- a) Where bids are received in response to a bid solicitation but exceed budget, are not responsive to the requirement, or do not represent fair market value, a revised solicitation shall be issued in an effort to obtain an acceptable bid unless 8b applies.
- b) The Executive Director or authorized designate may waive the need for a revised bid solicitation and enter into negotiations with the lowest responsive bidder originated from a bid solicitation, under the following circumstances:
 - i. the total cost of the lowest responsive bid is in excess of the funds approved by the Agency for the project; and
 - ii. the Executive Director or authorized designate is able to justify in writing that the changes required to achieve an acceptable bid do not change the general nature of the requirement described in the bid solicitation.
- c) The method of negotiation shall be those accepted as standard negotiating procedures that employ ethical public procurement practices.
- d) The Agency has the right to cease negotiations and reject any offer.
- e) If two equal bids are received, the Agency will offer an opportunity for bidders to re-bid. Should a tie persist the following factors will be considered:
 - i. prompt payment discount;
 - ii. when delivery is an important factor, the bidder offering the best delivery date be given preference;
 - iii. a bidder in a position to offer better after sales service, with a good record in this regard shall be given preference;
 - iv. a bidder with an overall satisfactory performance record shall be given preference over a bidder known to have an unsatisfactory performance record or no previous experience with the Agency; and

- v. if the above does not break the tie, equal bidders shall draw straws, or be determined by another appropriate documented process.

9. Only One Bid Received

- a) In the event only one bid is received in response to a request for tender, the Agency may return the unopened bid to the bidder when, in the opinion of the Executive Director or authorized designate, using criteria, based on the number of bids which might reasonably be expected on a given type of bid, additional bids could be secured. In returning the unopened bid the Agency shall inform the bidder that the Agency may be recalling the tender at a later date.
- b) In the event that only one bid is received in response to a request for tender, the bid may be opened and evaluated in accordance with the Agency's usual procedures when, in the opinion of the Executive Director or authorized designate, the bid should be considered by the Agency. If, after evaluation by the Executive Director or authorized designate, the bid is found not to be acceptable, they may follow the procedures set out above under No Acceptable Bid or Equal Bids Received (listed in section 8).
- c) In the event that the bid received is found acceptable, it will be awarded as an Irregular result under 'Appendix 'C'.

10. Evaluation, Recommendation and Approval

- a) For all **invitational** competitive procurements, the Director of Finance and Administration shall arrange for a review of quotes/tender received based on pre-determined evaluation criteria (depending on product/service) with two (2) additional management staff in attendance at that time.

For **open** competitive procurements, the Director of Finance and Administration shall be responsible for arranging for the public opening of tender bids at the time and date specified by the tender call. The evaluation of bids shall be based on pre-determined evaluation criteria (depending on product/service). There shall be at least two (2) additional management staff in attendance at that time.

Note: Individuals involved must declare actual or potential conflicts of interest that may arise as a result of their involvement in the supply chain activities.

- b) The Director of Finance and Administration forwards a report to the authorized signing authority, as outlined in the Approval Authority Schedule or authorized designate which includes the following:
 - i. a summary of the bids and the source of financing and other financial commentary;
 - ii. details regarding supplier compliance with the evaluation criteria; and
 - iii. a recommendation for the award of contract to the submission that received the highest evaluation score and has met all mandatory requirements.

- c) The authorized signing authority, as outlined in the Approval Authority Schedule, approves or denies the recommendation in writing to the Director of Finance and Administration.

11. Notification to Suppliers

- a) For procurements of \$0 up to but not including \$100,000, the Director of Finance and Administration notifies all suppliers by mail.
- b) For procurements of \$100,000 or more, the Director of Finance and Administration will post the contract award notification in the same manner as advertised, following execution of the contractual agreement. The notification will identify the name of the successful supplier, agreement start and end dates, and any extension options.
- c) For procurements of \$100,000 or more, the Agency will inform all unsuccessful suppliers about their entitlement to a debriefing. The unsuccessful suppliers will have 60 calendar days following the date of the contract award notification to request a debriefing.

12. Contractual Agreement

- a) The award of contract may be made by way of a formal agreement or Purchase Order.
- b) A Purchase Order is to be used when the resulting contract is straightforward and will contain the Agency's standard terms and conditions.
- c) Where the Executive Director or authorized designate and Director of Finance and Administration have determined a formal agreement is required:
 - i. the formal agreement will contain at minimum, the following terms and conditions:
 - the conditions under which services are to be provided and paid for, including objectives, background, scope, constraints, staff responsibilities, tangible deliverables, timing, progress reporting, approval requirements;
 - periodic evaluation of results achieved; and
 - that the supplier of the service provide detailed invoices containing sufficient detail to assess the appropriateness and reasonableness of amounts billed;
 - that expenses submitted are reimbursed in compliance with the expense guidelines and only where the contract explicitly provides for reimbursement.
 - ii. the Agency may issue a Purchase order incorporating the formal agreement;
 - iii. the formal agreement shall include appropriate cancellation or termination clauses.

- d) Where a formal agreement is not required, the Agency shall issue a Purchase Order incorporating the terms and conditions relevant to the award of contract.

13. Exercise of Contract Renewal Options

- a) Where a contract contains an option for renewal, the Executive Director or authorized designate may exercise such option provided that all of the following apply:
 - i. the supplier's performance in supplying the goods, services or construction is considered to have met the requirements of the contract;
 - ii. the Executive Director or authorized designate and Director of Finance and Administration agree that the exercise of the option is in the best interest of the Agency;
 - iii. funds are available in within the Agency's approved budget including authorized revisions to meet the proposed expenditure; and
 - iv. a valid business case has been completed.
- b) The business case shall be authorized by the Executive Director or the authorized designate and shall include a written explanation as to why the renewal is in the best interest of the Agency and include comment on the market situation and trend.

14. Contract Amendments and Revisions

- a) No amendment or revision to a contract shall be made unless the amendment is in the best interest of the Agency.
- b) No amendment that changes the price of a contract shall be agreed to without a corresponding change in requirement or scope of work.
- c) Amendments to contracts are subject to the identification and availability of sufficient funds in appropriate accounts within the Agency's approved budget including authorized revisions.
- d) The Executive Director or authorized designate may authorize amendments to contracts provided that the total amended value of the contract is within the approval authority.
- e) Where expenditures for the proposed amendment combined with the price of the original contract exceeds the Agency's approved budget for the project, a report prepared by the Director of Finance and Administration shall be submitted to the Executive Director or authorized designate for approval.

15. Execution and Custody of Documents

- a) The Executive Director or authorized designate is authorized to execute formal agreements in the name of the Agency.

- b) The Agency shall execute Contract Records issued in accordance with these provisions.
- c) The Agency shall maintain a register of all goods and services contracts, agreements; Vendors of Record valued in excess of \$5,000 for which this policy applies.
- d) The Director of Finance and Administration shall be responsible for the safeguarding of original purchasing and contract documentation for the contracting of goods or services for which the award is made by the delegated authority.
- e) For reporting and auditing purposes, all documentation, as well as any other pertinent information will be retained in a secure location for a period of seven years.

16. Exclusion of Bidders Due to Poor Performance

- a) The Executive Director or authorized designate shall document rationale where the performance of a supplier has been unsatisfactory in terms of failure to meet contract specifications, terms and conditions or for Health and Safety violations
- b) The Director of Finance and Administration may prohibit an unsatisfactory supplier from bidding on future Contracts for a period of up to three years.

17. Receipt of Goods

- a) Upon the receipt of goods the Agency will:
 - i. arrange for the prompt inspection of goods on receipt to confirm conformance with the terms of the contract;
 - ii. rectify discrepancies immediately; and
 - iii. coordinate an appropriate course of action for any non-performance or discrepancies.

18. Exceptions to Competitive Procurement

The requirement for competitive bid solicitation may be waived under joint authority of the Executive Director or authorized designate and Director of Finance and Administration under the following circumstances:

- a) where competition is precluded due to the application of any Act or legislation or because of the existence of patent rights, copyrights, technical secrets or controls of raw material;
- b) where due to abnormal market condition, the goods, services or construction required are in short supply;
- c) where only one source of supply is available and where one or more of the following conditions apply:
 - i. the required goods and services are reasonably available from only one source by reason of the shortage of supply in the market or the existence of exclusive

rights held by any supplier or the need for compatibility with goods and services previously acquired and there are no reasonable alternatives or substitutes;

- ii. the required goods and services will be additional to similar goods and services being supplied under an existing contract (i.e. contract extension or renewal);
 - iii. an attempt to purchase the required goods and services has been made in good faith using a method other than Direct Negotiation which has failed to identify a successful supplier and it is not reasonable or desirable that a further attempt to purchase the goods and services be made using a method other than Direct Negotiation; and/or
 - iv. the required goods and services are to be supplied by a particular vendor or supplier having special knowledge, skills, expertise or experience;
- d) where there is an absence of competition for technical or other reasons and the goods, services or construction can only be supplied by a particular supplier and no alternative exists;
 - e) where the nature of the requirement is such that it would not be in the public interest to solicit competitive bids as in the case of security or confidentiality matters;
 - f) in the event of an “Emergency” where there is a near or actual danger to the life, health, or safety of an official or an employee while acting on the Agency’s behalf (e.g. emergency boiler repairs or replacement), a near or actual danger of injury to or destruction of real or personal property belonging to the Agency.
 - g) where the requirement is for a utility for which there exists a monopoly; or
 - h) purchases of goods, non-consulting services and construction less than \$5,000.

Where the non-competitive process is used, rationale must be documented and approved prior to the purchase.

Alternative Purchasing Methods

19. Vendor of Record

- a) A Vendor of Record may be established where:
 - i. the actual demand is not known in advance, or
 - ii. a need is anticipated for a range of goods and services for a specific purpose, but the actual demand is not known at the outset, and delivery is to be made when a requirement arises.
- b) The Agency shall establish and maintain a reference list of approved Vendors of Record to source frequently used goods or services. The reference list will specify Vendors of Record, pricing, discounts from published catalogues, standard pricing, delivery and service policies, etc.

- c) To establish prices and/or discounts and select sources, the Agency shall employ the provisions contained in this policy for the acquisition of goods, services.
- d) More than one supplier may be selected where it is in the best interests of the Agency and the bid solicitation allows for more than one.
- e) When a purchasing action is initiated for frequently used goods or services, it is to be made with the supplier or suppliers listed in the Vendor of Record.
- f) In a Request for Vendor of Record, the expected quantity of the specified goods or services to be purchased over the time period of the agreement will be as accurate an estimate as practical and be based, to the extent possible, on previous usage adjusted for any known factors that may change usage. **The total accumulated value over the length of the agreement must not exceed \$100,000.**

20. Co-Operative Purchasing (e.g. Buying Groups)

- a) The Agency may participate with other government agencies or public authorities in Co-operative Purchasing where it is in the best interests of the Agency to do so.
- b) The decision to participate in Co-operative Purchasing agreements will be made by either the Executive Director or authorized designate or the Director of Finance and Administration.
- c) The policies of the government agencies or public authorities calling the co-operative tender are to be the accepted policy for that particular tender.

Reporting

The Agency shall maintain a register of all goods and services contracts, agreements, Vendors of Record and Purchase Orders valued **in excess of \$5,000** for which this policy applies.

Management of moveable assets

- .01 All goods and services acquired for Agency use must be managed in an efficient, effective and economical manner.
- .02 Appropriate systems must be established and maintained to enable the effective management and security of the Agency's assets, including the periodic physical verification of movable assets at least once every four years.
- .03 Movable assets comprise durable items of machinery, business equipment and related apparatus, vehicles and other modes of transport, furniture and furnishings that are capable of being moved, whether the assets are in use or being held for later use, transfer, trade-in or disposal.

Disposal of Surplus Goods

- .01 All departments shall notify the Director of Finance and Administration when items become obsolete or surplus to their requirements.
- .02 The Director of Finance and Administration shall be responsible for finding out if the items can be of use elsewhere within the Agency.
- .03 Items that cannot be used may be offered for sale using a method appropriate to the materiality of the disposal. Justification for the method of disposal used must be documented by the Agency along with a list of the actual items disposed of.

Guidance for Exceptions

Any exceptions to this policy must be approved by the Executive Director. The rationale for any exception must be documented on the claim/statement.

9. Review Cycle of Policy

The entire Procurement Policy shall be reviewed by the Agency within a four year cycle and sections may be revised as required.

Appendix "A"

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.

“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.

“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.

“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.

“Members of an Organization” means all trustees, members of the board of directors, senior executives, and employees of the Organization, or their equivalent;

“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.

“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.

Appendix B

Phased Implementation

This policy shall be effective March 10, 2016 and shall apply to the acquisition of all goods and services except where:

- Excluded under Non-Competitive Purchases of this Policy; and/or
- Identified as subject to a later phased implementation date:
 - Purchase of Consultant Services –
 - Financial Audit Services - July 31, 2016
 - Office Supplies Vendor of Record – March 2020

The acquisition of goods and services listed above will be processed in full compliance with this policy on or before the dates indicated.

Appendix C

Irregularities Contained in Bids

IRREGULARITY	RESPONSE
Late Bids	Automatic rejection, not read publicly, and returned unopened to the bidder.