

## Purchasing, Procurement and Contracts

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|--------------|---|-------------------|----------------|
| Author:      | Betty Yam, Chief Finance and Administrative Officer | Approval Date:    | March 10, 2025 |
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| Approved By: | Betty Yam, Chief Finance and Administrative Officer | Next Review Date: | March 1, 2027  |

### 1) POLICY

Community Living Toronto (CLTO) has established formal and informal processes and practices for purchasing goods or services or entering into a contract agreement with a company or consultant. These practices are in place to obtain high quality goods and/or services at the best possible price while complying with the Broader Public Sector ("**BPS**") Procurement Directive, the Canadian Free Trade Agreement ("**CFTA**"), the Canada-European Union Comprehensive Economic and Trade Agreement ("**CETA**") and the Ontario-Quebec Trade and Cooperation Agreement ("**OQTC**") or other applicable treaty.

Effective April 4, 2025, and in accordance with Supply Ontario direction, CLTO and all BPS organizations are prohibited from entering into new procurement contracts of any value with U.S. businesses. A U.S. business is defined as an entity incorporated in the United States, headquartered in the United States, or significantly owned or controlled by U.S. persons and which has fewer than 250 full-time employees in Canada. All procurement decisions must include documentation of compliance with this restriction.

The procurement process is coordinated, documented and managed by the CLTO Manager of Procurement and Purchasing. The CLTO Manager of Procurement and Purchasing must ensure that the mandatory requirements for procurement, as defined in the ***Broader Public Sector Procurement Directive and Building Ontario Business Initiative***, and the Procurement Restriction Policy (U.S. Businesses) are followed for any procurement. (See Appendix I).

A single purchase of goods and services of over \$600 and less than \$50,000 generally does not require input from the Manager of Procurement and Purchasing. These goods and services can be obtained by completing a requisition on MyServicesConnect HR & Finance. The detailed steps associated with this type of purchase are outlined in the Procedures and Responsibilities, Section 2 of this policy.

For purchases of \$50,000 and over or when engaging a consultant, regardless of the cost, the Department Director or delegate that is interested in making a purchase or engaging a consultant must inform the Manager of Procurement and Purchasing who will assist with the process. Based on the goods or services to be purchased, the required procurement process to be followed will be determined by the Manager of Procurement and Purchasing. Vendors identified for procurement must be reviewed for compliance with the Procurement Restriction Policy (U.S. Businesses).

A formal competitive procurement must be done in the following circumstances:

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- Hiring a consultant or consulting services for the purpose of providing expert or strategic advice and services for consideration and decision making. This applies to any amount spent.
- Making a single purchase of goods and services over \$50,000.
- An annual spend for repetitive purchasing goods or services of the same nature with a cumulative total over \$121,000 annually.

Informal procurement, which may or may not include a formal competitive process, occurs for the following scenarios:

- Making a single purchase of goods and services less than \$50,000
- An annual spend for repetitive purchasing of goods or services of the same nature with cumulative total of less than \$121,000 annually.

An invitational competitive process can only be used for procurement contracts for under \$121,000 annually.

Specific positions within CLTO have signing authority to authorize purchases and invoices, including the authority to sign contracts that legally bind CLTO. The positions and dollar amounts are outlined in the **04-14-02 Signing Authority policy**. The staff with Contract Signing Authority must comply with the BPS Procurement Directive. The **Supply Chain Code of Ethics: Broader Public Sector Directive** is attached as Appendix II.

### 2) SCOPE

- ☐ Department staff: (specify) staff who purchase items or services on behalf of CLTO; staff with Signing Authority to legally bind CLTO to a contract, and all staff Finance, Purchasing and Properties.

### 3) DEFINITIONS

Procurement – refers to the purchase of goods or services or entering into a contract agreement with a company or consultant.

Consultant – for the purpose of this policy refers to an individual (or company) that provides expert or strategic advice and services for consideration and decision making.

U.S. Business – a business that is headquartered in the United States or is significantly owned or controlled by individuals or entities based in the United States, and which has fewer than 250 full-time employees in Canada.

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### 4) PROCEDURES & RESPONSIBILITIES

1. Responsibilities for formal or informal procurement are as follows:

**1.1. Responsibilities of the Department Director or Delegate who is undertaking the procurement:**

- Develop a business case for the purchase, ensure executive/project sponsor approval, provide signed business case to Manager, Purchasing and Procurement for use in developing procurement plan
- Assist in the development of the specifications of the product or services desired, composition of the evaluation team, evaluation criteria, and other requirements for the competitive procurement process
- Ensure conflict of interest declarations are dealt with and observe black out period for contact with potential bidders
- Approve the final documents for distribution to potential bidders/vendors
- Answer questions from potential bidders through the Purchasing Manager
- Score bids with other team members and make final selection of successful vendor
- Develop the procurement contract and obtain required signatures
- Complete/approve purchase requisition in MyServicesConnect and forward signed contract to the Manager, Purchasing and Procurement
- Approve invoices and forward to Purchasing for payment
- Participate in Contract Management by evaluating performance and notify the Manager, Purchasing and Procurement of any issues
- Provide documentation of issues and participate in the process of dismissal, if necessary
- Ensure that no procurement is made with a vendor that qualifies as a U.S. business.

**1.2. Responsibilities of the Manager, Purchasing and Procurement:**

- Develop procurement plan with source department representatives
- Following the Mandatory Requirements of BPS Procurement Directive, coordinate development of the Bid Documents, ensure the required elements are included and distribute or post
- Verify that all vendors are not U.S. businesses before engaging in procurement activities
- Evaluate and resolve any declared conflict of interest
- Manage the process of accepting bids, review, scoring and vendor selection
- Inform the successful vendor, assist with contract development
- Inform the unsuccessful vendors, assist with debriefing if requested
- Maintain files of all contracts per BPS requirements

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### 1.3. Responsibilities of others involved in the purchase/procurement:

- When requested to participate in a competitive procurement process, declare any possible conflict of interest
- Assist with the development of specifications, requirements and criteria for evaluation that will make up the bid documents
- Observe the blackout period for contact with any bidders
- Participate in scoring and provide all notes to the Purchasing Manager

### 2. Responsibilities when purchasing general goods and services:

- 2.1. Any item over \$600 must be obtained by completing a requisition on MyServicesConnect HR & Finance. The CLTO Purchasing staff will assist you in researching and selecting the items from pre-approved vendors for equipment such as furniture or lifts, etc.
- 2.2. When items are standardized (e.g., appliances, televisions), the purchaser must complete a requisition on MyServicesConnect HR & Finance and fill in general information regarding size and features.
- 2.3. For services that are arranged by Supervisors outside of those that are part of regular monthly contracts (e.g., pest control or cleaning), the Supervisor must complete a requisition on MyServicesConnect HR & Finance. In some circumstances, a purchase order must be sent to the vendor for them to proceed.

NOTE: Any services which involve the building or property must be arranged through the Properties department. There are rules regarding WSIB and insurance which they will ensure are followed.

- 2.4. Once the Goods or Services are received or the services are complete the Supervisor emails the invoice to [APinvoices@cltoronto.ca](mailto:APinvoices@cltoronto.ca) quoting the PO# assigned to their requisition. Include the invoice or packing slip. If there is no invoice; notify [Purchasing@cltoronto.ca](mailto:Purchasing@cltoronto.ca) and include the packing slip if there is one.
- 2.5. All invoices received from a vendor for purchases arranged by requisition must be emailed to [APinvoices@cltoronto.ca](mailto:APinvoices@cltoronto.ca) and include approval to pay and the associated PO# from the requisition.
- 2.6. For any issues regarding receipt of the product or service, performance or payment, contact Purchasing for assistance.

### 5) DOCUMENT ACCOUNTABILITY

The Purchasing and Procurement Manager is accountable for creating and maintaining the policy. The Chief Finance and Administrative Officer is responsible to ensure that

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procurement occurs as outlined in this policy.

## 6) RELATED FORMS & TOOLS

### a) Associated Policies

- 04-14-02 Signing Authority

## 7) REFERENCES

### a) Applicable Legislation & Regulations

- BPS Directive  
[https://www.doingbusiness.mgs.gov.on.ca/mbs/psb/psb.nsf/Attachments/001-BPS Procurement Directive/\\$FILE/BPS Procurement Directive.pdf](https://www.doingbusiness.mgs.gov.on.ca/mbs/psb/psb.nsf/Attachments/001-BPS%20Procurement%20Directive/$FILE/BPS%20Procurement%20Directive.pdf)
- BPS Procurement Directive Refresher course  
<https://www.doingbusiness.mgs.gov.on.ca/mbs/psb/psb.nsf/English/bps-procurement-directive-refresher-course>
- Questions and Answers: Broader Public Sector Procurement Directive  
[https://www.doingbusiness.mgs.gov.on.ca/mbs/psb/psb.nsf/Attachments/BPSProcDir-FAQ-eng/\\$FILE/BPSProcDir-FAQ-eng.html](https://www.doingbusiness.mgs.gov.on.ca/mbs/psb/psb.nsf/Attachments/BPSProcDir-FAQ-eng/$FILE/BPSProcDir-FAQ-eng.html)
- Procurement Restriction Policy (U.S. Businesses)  
<https://www.supplyontario.ca/wp-content/uploads/US-Procurement-Restriction-Policy-Guide-March-4-2025-EN-1.pdf>

## 8) REVISION HISTORY

| Version # | Date of Revision   | Person Revising (Name & Position)   | Description of Change   |
|-----------|--------------------|---|---|
| Issue     | February 1, 2008   |   |   |
| 2.0       | May 4, 2020        | Betty Yam, Chief Financial Officer  |   |
| 3.0       | September 21, 2023 | Betty Yam, Chief Finance & Administrative Officer; Cathy Martin, Manager of Purchasing & Procurement  | Change in name from Purchasing to Purchasing and Contracts and minor updates to wording. Removed reference to Procurement Policy Exemption Document as no longer relevant with MyServicesConnect (HR & Finance). Refer to Signing Authority policy for authorized amounts by position (removed outdated table). |
| 4.0       | March 10, 2025     | Betty Yam, Chief Finance & Administrative Officer; Karen Stephen, Manager of Purchasing & Procurement | Added reference to Building Ontario Business Initiative. Raised amount for "a single purchase of goods and services of over \$300 to <b>over \$600</b> "; Changed amount  |

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|-----|----------------|--|--|
|     |                |  | to <b>\$121,000 annually</b> for scenarios related to formal competitive process, informal competitive process and invitational competitive process. |
| 4.1 | April 30, 2025 | Karen Stephen, Manager of Purchasing & Procurement | Added reference to Procurement Restriction Policy (U.S. Businesses)  |

### Appendix I: Supply Chain Code of Ethics: Broader Public Sector Directive

**Mandatory Requirements of BPS Procurement Directive:** The following elements must be followed for any procurement.

|  |                                   |
|--|-----------------------------------|
| o Segregation of Duties                                  | o Winning Bid                     |
| o Approval Authority                                     | o Non Discrimination              |
| o Competitive Procurement Thresholds                     | o Executing the Contract          |
| o Information Gathering                                  | o Establishing the Contract       |
| o Supplier Pre-Qualification                             | o Termination Clauses             |
| o Posting Competitive Procurement Documents              | o Term of Agreement Modifications |
| o Timeline for Posting Competitive Procurement Documents | o Contract Award Notification     |
| o Bid Receipt  | o Vendor Debriefing               |
| o Evaluation Criteria                                    | o Non-Competitive Procurement     |
| o Evaluation Process Disclosure                          | o Contract Management             |
| o Evaluation Team  | o Procurement Records Retention   |
| o Evaluation Matrix                                      | o Conflict of Interest            |
|  | o Bid Dispute Resolution          |

### Appendix II: Supply Chain Code of Ethics: Broader Public Sector Directive

#### *I. 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 BPS organizations, suppliers and other stakeholders. Respect must be demonstrated for each other and for 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.

#### *II. Accountability and Transparency*

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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.

### *III. Compliance and Continuous Improvement*

Individuals involved with 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.