Procurement Policy
Goods and Services (including Professional Services)

CHILDREN'S AID SOCIETY - THUNDER BAY

(supersedes sections #1(4) & #4 Finance & Administration Manual – July 1997)

1. Purpose

1.1 To help ensure that expenditures represent value for money spent while promoting fair dealings with vendors, the Society shall:
   1.1.1 Specify the principles that shall govern the planning, acquisition and management of the goods and services needed by the Society.
   1.1.2 Specify the requirements for adherence to those principles.
   1.1.3 Specify the responsibilities of individuals / organizations involved in acquisition of goods and services and with the administration of this policy.
   1.1.4 Establish prudent requirements for the competitive acquisition of goods and services.
   1.1.5 Adhere to those requirements, unless they can document adequate reasons for doing otherwise.

2. Application and Scope

2.1 This policy applies to the planning, acquisition and management of goods and services including consulting and professional services.
2.2 The principles and requirements of this policy apply to all Society acquisitions other than those specifically excluded within this policy.
2.3 This policy shall be reviewed as a part of a policy review cycle that occurs at least once every four years.
2.4 Any exception to this policy shall be justified and documented.
2.5 For greater clarity on terms used in this document, please refer to Appendix „A” definitions.
2.6 This policy will be implemented on a phase-by-phase basis as outlined in Appendix „B”. (This Appendix is required by any Society not able to be 100% compliant with this procurement policy by April 1, 2007).

3. Principles and Guidelines

3.1 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 Society mandatory requirements in keeping with the following principles and guidelines:

3.1.1 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 Society supply strategy.
   b) The basic rationale for each major type of planned expenditure $25,000 or greater (or other predetermined threshold) will be identified, justified and documented in a companion Business Plan (using an executive summary style) to the Society’s annual budget / forecast / estimate.
   c) Justification for acquisitions $25,000 or greater (or other predetermined threshold) not included in the Society’s annual budget / forecast / estimate will be documented separately.

3.1.2 Prior to placing orders for goods and services valued in excess of $5,000 (or other predetermined threshold), document the Society’s rationale for the purchase and include the documented justification in the appropriate file. The level of justification documentation should reflect the value of the purchase.

3.1.3 For goods and services that will be paid for, via instalments, assess the appropriateness of buy vs. lease and document the rationale for the decision made.
Procurement Policy
Goods and Services (including Professional Services)

CHILDREN’S AID SOCIETY - THUNDER BAY

(supersedes sections #1(4) & #4 Finance & Administration Manual – July 1997)

3.1.4 Goods and services shall be acquired from qualified vendors through a competitive process to meet specified needs at the lowest possible cost.

3.1.5 The Society, at its option, may choose to pre-qualify vendors. The pre-qualification process requires an assessment by a Selection Committee (composed of three senior Society 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 Organization.
   b) Experience in providing services to child welfare organizations.
   c) Specific qualifications of staff that could be assigned to the providing services to Society.

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.

3.1.6 Once acquired, goods and services shall be managed efficiently, effectively and economically.

3.1.7 Supporting documentation (e.g. contracts, purchase justification, quotations, etc.) shall be attached to the detailed invoices and included in the appropriate files.

3.1.8 Access for vendors to compete for Society business shall be open, fair, transparent, and consistent and recognize the needs and responses of the community the Society serves.

Conflicts of interest (e.g. where a non-arms length relationship exists) shall be avoided in acquiring goods and services and in resulting contracts; vendors shall not be permitted to gain a monopoly for a particular kind of work; and relationships shall not be created which result in continuous reliance on a particular vendor.

3.1.9 Orders cannot be split to circumvent this policy.

3.1.10 To ensure a transparent process, procurement will be based on a clear definition of the product or service requirement, and a clear outline of the review and criteria to be undertaken. The decision to choose the low bidder will be based solely on the requirements as documented, the bidder document, and the application of the review criteria. The same decision should be arrived at each time given the same set of facts, which will facilitate the dispute resolution process.

3.1.11 To ensure a fair process, no action shall be undertaken by Society staff to influence a low bidder an unfair advantage. However, it is in the best interest of the Society to factor in costs associated with conversion from existing supplier(s) to new supplier(s) when evaluating competitive bids.

3.1.12 The Executive Director or authorized designate shall ensure relevant specifications, budget authorization, approval authority and terms and conditions for the purchase of goods or services.

3.1.13 Contract terms shall typically be 3 to 5 years with options to renew up to 3 additional years.

3.1.14 The Executive Director or authorized designate shall ensure quote submissions are reviewed and that all specifications of the quote are met.

3.1.15 The Society reserves the right to accept or reject any submission.

3.1.16 To avoid conflicts of interest (e.g. where a non-arms length relationship exists), the Society shall:
   a) acquire goods and services in a manner consistent with the Society’s conflict of interest policy;
   b) require prospective vendors participating in an acquisition process to declare any actual or potential conflict of interest;
   c) reserve the Society’s right to disqualify prospective vendors from an acquisition process due to conflict of interest;
**Procurement Policy**

Goods and Services (including Professional Services)

**CHILDREN'S AID SOCIETY - THUNDER BAY**

*(supersedes sections #1(4) & #4 Finance & Administration Manual – July 1997)*

---

d) reserve the right of the Society to solely determine whether any situation or circumstance constitutes a conflict of interest;

e) require vendors to avoid any conflict of interest during the performance of their contractual obligations for the Society;

f) require vendors to disclose any actual or potential conflict of interest arising during the performance of a contract;

g) reserve the right of the Society to prescribe the manner in which a vendor should resolve a conflict of interest;

h) allow the Society to terminate a contract where a vendor fails to disclose any actual or potential conflict of interest or fails to resolve its conflict of interest as directed by the Society; and,

i) allow the Society to terminate a contract where a conflict of interest cannot be resolved.

### 4. Procurement Documentation

4.1 The level of acquisition documentation shall reflect the value of the purchase. All acquisitions greater than $5,000 shall be documented. The greater the value of the purchase, then the greater the level of documentation required.

4.1.1 Proposed procurement documentation shall be reviewed to ensure clarity, reasonableness and quality.

4.1.2 Procurement documentation shall avoid use of specific products or brand names. The Society may specify a specific product, brand name or approved equal for essential functionality purposes to avoid unacceptable risk or for some other valid purpose. In such instances, the rationale for the decisions shall be documented.

4.1.3 The Executive Director or authorized designate shall ensure:

a) consideration is given to the need for value analysis comparisons of options or choices;

b) adequate value analysis comparisons are conducted to provide assurance that the specification will provide best value; and

c) the analysis is documented and filed.

4.2 Documentation for the acquisition of professional services must include:

4.2.1 The basis on which the professional firm or individual was selected and why the fees are commensurate with the qualification of those firms or individuals.

4.2.2 A formal written agreement detailing:

a) the conditions under which services are to be provided and paid for;

b) periodic evaluation of results achieved; and

c) that the supplier of the service provide detailed invoices containing sufficient detail to assess the appropriateness and reasonableness of amounts billed.

### 5. General Procurement Procedures

5.1 To ensure fair value for money and a competitive process the following purchasing thresholds shall be used:

a) Under $1,000: no quote required;

b) $1,000 to $4,999: minimum 1 documented verbal quote is required;

c) $5,000 to $24,999: minimum 3 documented verbal quotes are required; or a Vendor of Record is selected;

d) $25,000 to $99,999: minimum 3 documented written quotes are required; or a Vendor of Record is selected
Procurement Policy
Goods and Services (including Professional Services)

CHILDREN'S AID SOCIETY - THUNDER BAY

(supersedes sections #1(4) & #4 Finance & Administration Manual – July 1997)

5.2 Purchase threshold values shall be based on projected annualized expenditures by vendor with prior year spending by vendor used as a guideline.

5.3 Verbal Quote:
   a) Verbal quote documentation shall include a brief description of the goods or services, the name(s) of the vendor(s) solicited; the date of the quote(s) and the rationale for choosing a specific vendor whenever multiple quotations are required.

5.4 Written Quotes:
   a) Written quote document shall include a description of the goods or services; a copy of the documentation provided to vendors to solicit quotations; a list of all vendors invited to quote including a note on any vendor who declined to provide a quote; copies of all quotes received; and the rationale for choosing the successful vendor.

5.5 Competitive Process (RFQ, RFP or Request for Tender)
   a) A competitive process is undertaken whereby a minimum of 3 bids is sought, and the lowest compliant bid is awarded the contract. Care must be taken as to how bids are sought, bidders’ lists are maintained and how competition is encouraged. Although a minimum of 3 bids is required, an open process without a minimum number of bids will be more competitive, and is encouraged.

5.6 RFQ (Request for Quotation) shall be used where:
   a) the good or service is valued between $100,000 and $249,999;
   b) the requirement can be fully defined in a specification to the vendors; and,
   c) best value for the Society can be achieved by an award selection made on the basis of the lowest bid that meets specifications.

5.7 RFP (Request for Proposal) shall be used where:
   a) the good or service is valued between $100,000 and $249,999;
   b) the requirement is best described in a general performance specification;
   c) innovative solutions are sought from the vendors to achieve the general performance leading to the desired result; and,
   d) to achieve best value, the award selection will be made on an evaluated point per item or other method involving a combination of mandatory and desirable requirements.
   e) The Request for Proposal method of purchase is a competitive method of purchase that may or may not include Vendor pre-qualification.
   f) Where the requirement is not straightforward or an excessive workload would be required to evaluate proposals, either due to their complexity, length, number or any combination thereof, a procedure may be used that would include a pre-qualification phase.
   g) The Society shall maintain a list of suggested evaluation criteria for assistance in formulating an evaluation scheme using a Request for Proposal. This may include factors such as qualifications and experience, strategy, approach, methodology, scheduling and past performance, facilities, equipment, and pricing.
   h) The Executive Director or authorized designate shall identify appropriate criteria for use in a Request for Proposal. Cost will always be included as a factor, as best value includes both quality and cost.
   i) A Selection Committee, composed of a minimum of three senior managers, shall review all proposals against the established criteria, reach consensus on the final rating results, and ensure that the final rating results, with supporting documents, are kept in the procurement file.
Procurement Policy
Goods and Services (including Professional Services)

CHILDREN'S AID SOCIETY - THUNDER BAY

(supersedes sections #1(4) & #4 Finance & Administration Manual – July 1997)

j) To ensure consistency through the proposal process all communication with bidders shall be through a single designated Society staff member.

k) The designated Society staff member shall forward to the Executive Director or authorized designate, an evaluation summary of the procurement, as well as the Committee’s recommendation for award of contract to the supplier meeting all mandatory requirements and providing best value as stipulated in the Request for Proposal. Where the lowest bid is not accepted, the Executive Director or authorized designate is responsible for documenting the determination of best value prior to award of contract.

l) With respect to all reports initiated for Request for Proposals, a report on the sources of financing, and other financial commentary as considered appropriate, shall be prepared.

m) Unsuccessful proponents may, upon their request, attend a debriefing session with Purchaser to review their bid submission. Discussions relating to any bid submissions other than that of the proponent present will be strictly prohibited.

n) The Society reserves the right to accept or reject any submission.

5.8 RFP (Request for Proposal) in sealed bids shall be used where:

a) The goods or service is greater than $250,000;

b) Section 5.7 b) to n) apply;

c) The Manager of Finance and Administration shall be responsible for arranging for the public opening of sealed bids at the time and date specified by the tender call. There shall be at least 3 senior managers in attendance at that time.

5.9 Requests for Tender shall be used where:

a) the item is greater than $250,000;

b) the requirement can be fully defined in a specification to the vendors; and,

c) best value for the Society can be achieved by an award selection made on the basis of the lowest bid that meets specifications.

d) The Society shall document the relevant specifications, budget authorization, approval authority and terms and conditions for the purchase of the good or service.

e) The Manager 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. There shall be at least 3 senior managers in attendance at that time.

f) The Manager of Finance and Administration shall forward to the Executive Director or authorized designate, a summary of the bids and recommend the award of contract to the lowest responsive bidder, subject to review by the Executive Director or authorized designate regarding specifications and contractor performance.

g) With respect to all reports initiated for tenders, there shall be a report on the sources of financing and other financial commentary as considered appropriate.

h) The Society reserves the right to accept or reject any submission.

5.10 A Vendor of Record may be established where:

a) The actual demand is not known in advance, or

b) 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.

c) The Society 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, etc.

d) To establish prices and/or discounts and select sources, the Society shall employ the provisions contained in this policy for the acquisition of goods, services.
Procurement Policy
Goods and Services (including Professional Services)

CHILDREN'S AID SOCIETY - THUNDER BAY

(supersedes sections #1(4) & #4 Finance & Administration Manual – July 1997)

5.11 Co-Operative Purchasing (e.g. Buying Groups)
5.11.1 The Society may participate with other government agencies or public authorities in Co-Operative Purchasing where it is in the best interests of the Society to do so.
5.11.2 The decision to participate in Co-operative Purchasing agreements will be made by either the Executive Director or authorized designate or the Manager of Finance and Administration.
5.11.3 The policies of the government agencies or public authorities calling the co-operative tender are to be the accepted policy for that particular tender.

5.12 Non-Competitive Purchases:
5.12.1 The requirement for competitive bid solicitation for goods, services and construction may be waived under joint authority of the Executive Director or authorized designate and Manager 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 would be acceptable and cost effective;
   d) where there is an absence of competition for technical or other reasons and a particular supplier can only supply the goods, services or construction 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 a “Emergency” as defined below in 5.13;
   g) where the requirement is for a utility for which there exists a monopoly;
   h) Boarding expenditures (including One on One Support Costs, Day Care Costs, etc.)
   i) Allowances paid to Foster Parents (clothing, spending, etc.);
   j) Expenditure reimbursements paid to foster parents;
   k) Health and related costs incurred on behalf of a Society client;
   l) Items covered by Collective Agreement or Employment Contract;
   m) Small dollar purchases where the annualized aggregate is less then $5,000 and each individual purchase is less then $1,000 (e.g. plumbing services).
5.12.2 When the Society intends to select a supplier to provide goods or services pursuant to this subsection a written report indicating the compelling rationale that warrants a non-competitive selection will be prepared prior to approval prior of the selection. Neither justification nor a written report are required for goods or services excluded as per 5.12.1 g), h), i), j), k), l), & m).

5.13 Procurement in Emergencies:
5.13.1 “Emergency” includes an imminent or actual danger to the life, health or safety of an official or an employee while acting on the Society’s behalf (e.g. emergency boiler repairs or replacement), an imminent or actual danger of injury to or destruction of real or personal property belonging to the Society.
Procurement Policy
Goods and Services (including Professional Services)

CHILDREN'S AID SOCIETY - THUNDER BAY

(supersedes sections #1(4) & #4 Finance & Administration Manual – July 1997)

5.13.2 Where, in the opinion of three senior managers, an emergency has occurred, the Society may initiate a purchase order in excess of the preauthorized expenditure limit provided that the justification for the exception is fully documented and included in the appropriate files.

5.14 Direct Negotiation:
5.14.1 Goods and services may be purchased using the Direct Negotiation method only if one or more of the following conditions apply:
a) The required goods and services are reasonably available from only one source by reason of the scarcity 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.
b) 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).
c) 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.
d) The goods and services are required as a result of an emergency, which would not reasonably permit the use of a method other than Direct Negotiation.
e) The required goods and services are to be supplied by a particular vendor or supplier having special knowledge, skills, expertise or experience.

6. Bid and Contract Administration

6.1 Submission of RFP’s, RFQ’s, & Tenders
6.1.1 Time, date and method of delivery shall be specified in the request document.
6.1.2 Bids received later than the specified closing time shall be returned unopened to the bidder.
6.1.3 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. 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. All bidders may be requested to supply a list of all subcontractors to be employed on a project. The Purchaser thereto must approve any changes to the list of subcontractors or addition.

6.2 No Acceptable Bid or Equal Bids Received
6.2.1 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 Subsection 6.2.2 applies.
6.2.2 The Executive Director or authorized designate may waive the need for a revised bid solicitation and enter into negotiations with the lowest responsive bidder emanating from a bid solicitation, under the following circumstances:
a) the total cost of the lowest responsive bid is in excess of the funds approved by the Society for the project and
b) 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.

6.2.3 The method of negotiation shall be those accepted as standard negotiating procedures that employ ethical public procurement practices.
6.2.4 The Society has the right to cease negotiations and reject any offer.
6.2.5 If two equal bids are received, the Society will offer an opportunity for bidders to re-bid.
Should a tie persist the following factors will be considered:
   a) prompt payment discount,
   b) when delivery is an important factor, the bidder offering the best delivery date be
given preference,
   c) a bidder in a position to offer better after sales service, with a good record in this
regard shall be given preference,
   d) 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 Society,
   e) if the above does not break the tie, equal bidders shall draw straws, or be determined
by another appropriate documented process.

6.3 Only One Bid Received
6.3.1 In the event only one bid is received in response to a request for tender, the Society 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 Society shall inform the bidder that the Society may be recalling the
tender at a later date.
6.3.2 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 Society’s usual procedures when, in the
opinion of the Executive Director or authorized designate, the bid should be considered
by the Society. 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.

6.3.3 In the event that the bid received is found acceptable, it will be awarded as an Irregular
result under Appendix „C“ of the Purchasing Policy.

6.4 Contractual Agreement
6.4.1 The award of contract may be made by way of a formal agreement, Contract Record or
Purchase Order.
6.4.2 A Purchase Order or Contract Record is to be used when the resulting contract is
straightforward and will contain the Society’s standard terms and conditions.
6.4.3 A formal agreement is to be used when the resulting contract is complex and will contain
terms and conditions other than the Society’s standard terms and conditions.
6.4.4 It shall be the responsibility of the Executive Director or authorized designate and
Manager of Finance and Administration to determine if it is in the best interest of the
Society to establish a formal agreement with the supplier.
6.4.5 Where it is determined that Subsection 6.4.4 is to apply, the formal agreement shall be
reviewed and approved.
6.4.6 Where a formal agreement is issued, the Society may issue a Purchase Order or Contract
Record incorporating the formal agreement.
6.4.7 Where a formal agreement is not required, the Society shall issue a Purchase Order or
Contract Record incorporating the terms and conditions relevant to the award of contract.

6.5 Exercise of Contract Renewal Options:
6.5.1 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:
   a) the supplier’s performance in supplying the goods, services or construction is
considered to have met the requirements of the contract,
   b) the Executive Director or authorized designate and Manager of Finance and
Administration agree that the exercise of the option is in the best interest of the
Society,
6.7 Execution and Custody of Documents:
6.7.1 The Executive Director or authorized designate is authorized to execute formal agreements in the name of the Society.
6.7.2 The Society shall execute Purchase Orders and/or Contract Records issued in accordance with these provisions.
6.7.3 The Manager 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 delegated authority.

6.8 Exclusion of Bidders due to Poor Performance:
6.8.1 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.
6.8.2 The Manager of Finance and Administration may prohibit an unsatisfactory supplier from bidding on future Contracts for a period of up to three years.

6.9 Receipt of Goods:
6.9.1 The Society shall,
   a) arrange for the prompt inspection of goods on receipt to confirm conformance with the terms of the contract,
   b) rectify discrepancies immediately, and
   c) coordinate an appropriate course of action for any non-performance or discrepancies.

6.10 Reporting:
6.10.1 The Society shall maintain a register of all goods and services contracts, agreements, Vendors of Record and Purchase Orders valued in excess of $25,000 for which this policy applies.

7. Management of moveable assets
7.1 All goods and services acquired for Society use must be managed in an efficient, effective and economical manner.
Procurement Policy
Goods and Services (including Professional Services)

CHILDREN'S AID SOCIETY - THUNDER BAY

(supersedes sections #1(4) & #4 Finance & Administration Manual – July 1997)

7.2 Appropriate systems must be established and maintained to enable the effective management and security of the Society’s assets, including the periodic physical verification of movable assets at least once every four years.

7.3 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.

8. Disposal of Surplus Goods

8.1 All departments shall notify the Manager of Finance and Administration (or individual designated by the Society) when items become obsolete or surplus to their requirements.

8.2 The Manager of Finance and Administration shall be responsible for ascertaining if the items can be of use elsewhere within the Society.

8.3 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 Society along with a list of the actual items disposed of.
Appendix A

Definitions

• “Agreement” means a formal written legal agreement or contract for the supply of goods, services, equipment or construction
• “Best value” means the optimal balance of performance and cost determined in accordance with a pre-defined evaluation plan; best value may include a time horizon that reflects the overall life cycle of a given asset
• “Blanket purchase contract” means any contract for the purchase of goods and services which will be required frequently or repetitively but where the exact quantity of goods and services required may not be precisely known or the time period during which the goods and services are to be delivered may not be precisely determined
• “Contract” means any formal or deliberate written agreement for the purchase of goods, services, equipment or construction
• “contract record” is a document which outlines the terms and conditions of the agreement
• “Goods and services” includes supplies, materials and equipment of every kind required to be used to carry out the operations of a department
• “Irregular result” means that in any procurement process where competitive bids or proposals are submitted and any of the following has occurred or is likely to occur
  • The lowest responsive bid or proposal exceeds the estimated cost or budget allocation
  • For any reason the award to the contract to or the purchase from the lowest responsive bidder or proponent is procedurally inappropriate or not in the best interests of the Society
  • The specifications of a tender call or request for proposal cannot be met by two or more suppliers
  • “Irregularities contained in bids” is defined in Appendix “C” and includes the appropriate response to those irregularities
  • “Irrevocable letter of credit” means an irrevocable letter on the financial institution’s standard form containing a request that the party to whom it is addressed pay the bearer or a person named therein money as a result of failure to perform or fulfill all the covenants, undertakings, terms, conditions and agreements contained in a contract
  • “Professional service supplier” means a supplier of services requiring professional skills for a defined service requirement including: Lawyers, Psychologists, management and financial consultants; and firms or individuals having specialized competence in planning or other disciplines
  • “Purchase order” means the purchasing document used to formalize a purchasing transaction with a vendor
  • “Purchase requisition” means a written or electronically produced request in an approved format and duly authorized to obtain goods or services
  • “Quotation” means a request for prices on specific goods and/or services from selected vendors which are submitted verbally, in writing or transmitted by facsimile as specified in the Request for Quotation
  • “Request for proposal” means a process where a need is identified, but the method by which it will be achieved is unknown at the outset; this process allows vendors to propose solutions or methods to arrive at the desired result
  • “Sealed bid” means a formal sealed response received as a part of a quotation, tender or proposal
  • “Supplier” means any individual or organization providing goods or services to the Society including but not limited to contractors, consultants, vendors, service organizations etc.
  • “Tender” means a sealed bid which contains an offer in writing to execute some specified services, or to supply certain specified goods, at a certain price, in response to a publicly advertised request for bids
  • “Value Analysis” typically refers to a life cycle costing approach to valuing a given alternative, which calculates the long term expected impacts of implementing the particular option
  • “Vendor of Record” (VOR) is a procurement arrangement resulting from a fair, open, transparent and competitive process that authorizes one or more qualified vendors to offer specific goods or services for a defined period of time on terms and conditions, including pricing and/or discounting, as set out in a particular VOR agreement
Procurement Policy
Goods and Services (including Professional Services)
CHILDREN'S AID SOCIETY - THUNDER BAY
(supersedes sections #1(4) & #4 Finance & Administration Manual – July 1997)

Appendix B

Phased Implementation

This policy shall be effective April 1, 2007 and shall apply to the acquisition of all goods and services except where:

a) Excluded under Section 5.12 of this Policy; and/or
b) Identified as subject to a later phased implementation date:
   - Janitorial Services: January 1, 2009
   - Client Professional Services (Legal): January 1, 2009
   - Audit & Banking Services: April 1, 2008
   - IT Services: April 1, 2009
   - Mechanical Maintenance: September 1, 2008
   - Computer Software Support & Training: April 1, 2008
   - Property and Liability Insurance: April 1, 2008

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

## IRREGULARITIES CONTAINED IN BIDS

<table>
<thead>
<tr>
<th>IRREGULARITY</th>
<th>RESPONSE</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Late Bids</strong></td>
<td>Automatic rejection, not read publicly and returned unopened to the bidder.</td>
</tr>
<tr>
<td><strong>Unsealed Envelopes</strong></td>
<td>Automatic rejection</td>
</tr>
<tr>
<td>Incomplete, illegible or obscure bids or bids which contain additions not</td>
<td>May be rejected as informal</td>
</tr>
<tr>
<td>called for, erasures, alterations, errors or irregularities of any kind.</td>
<td></td>
</tr>
<tr>
<td><strong>Documents, in which all necessary Addenda have not been acknowledged.</strong></td>
<td>Automatic rejection</td>
</tr>
<tr>
<td><strong>Failure to attend mandatory site visit.</strong></td>
<td>Automatic rejection</td>
</tr>
<tr>
<td><strong>Failure to include signature of the person authorized to bind the Tenderer.</strong></td>
<td>Automatic rejection</td>
</tr>
<tr>
<td><strong>Conditions placed by the Tenderer on the Total Contract Price.</strong></td>
<td>If the amount tendered for a unit price item does not agree with the</td>
</tr>
<tr>
<td><strong>Bids Containing Minor Mathematical Errors</strong></td>
<td>extension of the estimated quantity and the tendered unit price, or if</td>
</tr>
<tr>
<td></td>
<td>the extension has not been made, the unit price shall govern and the</td>
</tr>
<tr>
<td></td>
<td>total price shall be corrected accordingly</td>
</tr>
<tr>
<td></td>
<td>If both the unit price and the total price are left blank, then both</td>
</tr>
<tr>
<td></td>
<td>shall be considered as zero.</td>
</tr>
<tr>
<td></td>
<td>If the unit price is left blank but a total price is shown for the item,</td>
</tr>
<tr>
<td></td>
<td>the unit price shall be established by dividing</td>
</tr>
<tr>
<td></td>
<td>the total price by the estimated quantity.</td>
</tr>
<tr>
<td></td>
<td>If the total price is left blank for a lump sum item, it shall be</td>
</tr>
<tr>
<td></td>
<td>considered as zero.</td>
</tr>
<tr>
<td></td>
<td>If the Tender contains an error in addition and/or subtraction and/or</td>
</tr>
<tr>
<td></td>
<td>transcription in the approved tender documentation format requested</td>
</tr>
<tr>
<td></td>
<td>(i.e. not the additional supporting documentation supplied), the error</td>
</tr>
<tr>
<td></td>
<td>shall be corrected and the corrected total contract price shall govern.</td>
</tr>
<tr>
<td></td>
<td>Tenders containing prices which appear to be so unbalanced as to likely</td>
</tr>
<tr>
<td></td>
<td>affect the interests of the Society adversely may be rejected.</td>
</tr>
</tbody>
</table>