



Procurement

Issued By: Finance Department
Approved By: Leadership Team

Approval Date: September 21, 2023
Next Review Date: October 1, 2025

1 PURPOSE

- 1.01 This Procurement Policy outlines the principles and procedures governing the procurement of goods, non-consulting services, construction, and consulting services by E3 Community Services Inc., a not-for-profit organization located in Ontario, Canada. This policy is in accordance with the Broader Public Sector Accountability Act, 2010 (BPSAA) and the Ontario Broader Public Sector Procurement Directive (2011).

2 APPLICABLE TO:

- 2.01 This policy applies to all E3 Community Services employees.

3 POLICY

- 3.01 E3 Community Services hereby adopts the following policies and procedures, in compliance with the Broader Public Sector Accountability Act, (2010) (BPSAA), and the Ontario Broader Public Sector Procurement Directive (2011).

4 SCOPE

This Policy applies to the entire Agency regardless of funding source nor core activity.

5 RESPONSIBILITY

5.01 Directors / Managers

Directors / Managers are responsible for:

- a) Approval of the policy, implementation of the Policy and adherence to the Policy.
- b) An annual review of this Policy shall be undertaken or as needed to comply with new PBSAA standards.

5.02 Employees

Employees are responsible for:

- a) Adherence to this Policy.



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6 LIMITS

6.01 This policy is not applicable in the following: None

7 PROCEDURE

7.01 Process for Procurement of Goods and Services

General

E3 Community Services will conduct an open competitive procurement process where the estimated value of procurement of goods or services is \$100,000 or more, and competitively procure consulting services irrespective of value. Any exemptions will be in accordance with the applicable trade agreements. Approval Authority Schedules (AAS) will be used which are document specifying the approval thresholds for procurement activities based on the value of the procurement.

Approval Authority Schedule (AAS) – Goods, Non-Consulting Services and Construction

- 1 Goods: Tangible items (Consumables and Non-Consumables), Materials, and Equipment.
- 2 Non-Consulting Services: Services provided by individuals or entities, excluding consulting services.
- 3 Consulting Services: Professional services provided by consultants, advisors, or experts.

Goods, Non-Consulting Services and Construction		
Total Procurement Value	Means of Procurement	Approval Authority
\$0 to \$499	Petty Cash Credit Card	Manager
\$500 to \$4,999	Purchase Order/Email Authorization (attached)	Director of Finance/Department Director
\$5000 to \$9,999	Purchase Order/Email Authorization (attached) Invitational Competitive if Construction (including renovations)	Director of Finance/CEO
\$10,000 to \$99,999	Invitational Competitive	CEO for final approval
\$100,000 or more	Open Competitive	Board of Directors



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Approval Authority Schedule (AAS) – Consulting Services

Consulting Services		
Total Procurement Value	Means of Procurement	Approval Authority
\$0 up to \$99,999	Invitational Competitive	CEO for final approval
Any value	Open Competitive	Board of Directors
\$0 up to \$99,000	Non-competitive* <i>*Exemption-based only</i>	CEO
\$100,000 or more		Board of Directors

Segregation of Duties

E3 Community Services will segregate at minimum three of the five functional procurement roles. Responsibilities for these roles must lie with different departments or personnel. Where it is not possible to segregate these roles, adequate compensating controls approved by an external auditor must be in place. The overall value of procurement will not be reduced by dividing a single procurement into multiple steps in order to circumvent the approval requirements.

Goods, Non-Consulting Service and Construction (including renovation)						
Type	Value	Requisition	Budgeting	Commitment	Receipt	Payment
Supplies	\$0 - 999	All Staff	Director of Finance	Administrator	Administrator	Accounts Payable Authorization from Director of Finance
Supplies	\$1,000 - \$24,999	Manager	Director of Finance	Program Director	Administrator	Accounts Payable Authorization from Director of Finance



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Type	Value	Requisition	Budgeting	Commitment	Receipt	Payment
Supplies	\$25,000 - any value	Manager	Director of Finance	CEO	Administrator	Accounts Payable Authorization from Board of Directors
Training	Any Value	Manager	Director of Finance	Program Director/CEO	Staff designated for training	Accounts Payable Authorization from Director of Finance
IT Goods	\$0 - \$999	All Staff	Director of Finance	IT Administrator	IT Department	Accounts Payable
IT Goods	\$1,000 - \$9,999	Manager	Director of Finance	IT Administrator	IT Department	Accounts Payable
IT Goods	\$10,000-\$99,999	Program Director	Director of Finance	CEO	IT Department	Accounts Payable Authorization from Director of Finance
IT Goods	\$100,000 or over	CEO	Director of Finance	Board of Directors	Director of Finance	Accounts Payable Authorization from Board of Directors

Construction (including renovation)					
Value	Requisition	Budgeting	Commitment	Receipt	Payment
\$0 - \$99,999	Manager	Director of Finance	Director/CEO	Department Director	Accounts Payable Authorization from Director of Finance
\$100,000 or more	Director	Director of Finance	Board of Directors	Department Director	Accounts Payable Authorization from Board of Directors



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Consulting Services					
Value	Requisition	Budgeting	Commitment	Receipt	Payment
\$0 - \$99,999	Manager	Director of Finance	CEO	Program Manager	Accounts Payable Authorization from Director of Finance
\$100,000 or more	CEO	Director of Finance	Board of Directors	Program Director	Accounts Payable Authorization from Board of Directors

Information Gathering

Where results of informal supplier or product research are insufficient, E3 Community Services will 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.

A response to RFI or RFEI will not be used to pre-qualify a potential supplier and will not influence the chances of the participating suppliers from becoming the successful proponent in any subsequent opportunity.

Vendor of Record

When E3 Community Services obtains the name of a supplier from the Ministry Vendors on Record it will be assumed that the processes of obtaining supplier information has been done by the Ministry and absolves E3 Community Services from researching the supplier.

7.02 Process for Competitive Procurements Posting

Competitive Procurement Documents

For open competitive procurements, E3 Community Services will use an electronic tendering system that is readily accessible by all Canadian suppliers.

Timelines for Posting Competitive Procurements

E3 Community Services will provide suppliers a minimum response time of 15 calendar days for procurement of goods and services valued at \$100,000 or more.



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E3 Community Services will consider providing suppliers a minimum response time of 30 calendar days for procurements of high complexity, risk, and/or dollar value.

Evaluation Criteria

To ensure fairness within our competitive procurement process E3 Community Services will develop, review and approve the evaluation Criteria at the Director level prior to commencement of the competitive procurement process. Each piece of the evaluation criteria will also be fairly weighted prior to and clearly documented in the competitive procurement documents. The documents will also fully disclose the methodology and process to assessing submissions, including the process to resolve tie scores.

Mandatory criteria will be kept to a minimum to ensure that no bid is unnecessarily disqualified.

All criteria must comply with the section entitled Non-Discrimination. Alternate strategies or solutions will not be considered unless they are requested in the competitive procurement process.

Evaluation Team

The evaluation team for competitive bids up to \$100,000 will consist of the company Directors. A Manager or an Employee who is familiar with the required service may be invited to join the team during evaluations that are unfamiliar to the Directors. For bids over \$100,000 the team will consist of the CEO and the Board of Directors. Team members must be aware of the confidentiality of this process and will not engage in activities that will create or appear to create a conflict of interest.

A team member cannot participate in the evaluation process if a supplier is a family member, a personal friend or if they profit or are seen to profit from the purchasing of the goods or service.

They must declare a conflict of interest (pecuniary interest) and withdraw from the evaluation team during the evaluation that puts them in conflict. A substitute team member must be found.

Each evaluation team member must complete an evaluation matrix, rating each of the submissions. Records of evaluation scores must be retained for audit purposes. Evaluators must ensure that everything they say or write about submissions is fair, factual, and fully defensible.

Bid Receipt

Bid submission date and closing time will be clearly stated in competitive procurement documents. E3 Community Services will set the closing date of a competitive procurement process on a normal working day (Monday to Friday, excluding provincial and national holidays).



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Submissions that are delivered after the closing time must be returned unopened.

Winning Bid

E3 Community Services will ensure that 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.

Supplier Debriefing

For procurements valued at \$100,000 or more, E3 Community Services will inform all unsuccessful suppliers about their entitlement to a debriefing. E3 Community Services will allow unsuccessful suppliers 60 calendar days following the date of the contract award notification to request a debriefing.

Contract Award Notification

For procurements valued at \$100,000 or more, E3 Community Services will post, in the same manner as the procurement documents were posted, contract award notification.

The notification must be posted after the agreement between the successful supplier and E3 Community Services was executed. Contract award notification will list the name of the successful supplier, agreement start and end dates, and any extension options.

Non-Discrimination

E3 Community Services will not discriminate or exercise preferential treatment in awarding a contract to a supplier as a result of a competitive procurement process.

The Contract

Executing the Contract

The agreement between E3 Community Services and the successful supplier will be formally defined in a signed written contract before the provision of supplying goods or services commences.

Where an immediate need exists for goods or services, and E3 Community Services and the supplier are unable to finalize the contract as described above, an interim purchase order may be used. The justification of such decision must be documented and approved by the appropriate authority (see Approval Authority Schedule).

Establishing the Contract

The contract must be finalized using the form of agreement that was released with the procurement documents.

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 E3



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Community Services and the successful supplier must be defined formally in a signed written contract before the provision of supplying goods or services commences.

All contracts should have an appropriate termination or cancellation clause agreed upon by both parties.

Should the contract require modification at a later date the CEO must approve the modification for contracts under \$100, 000. Contracts over \$100,000 can only be modified by the Board of Directors. Should the price/cost change the evaluation team is required to review and ensure it does not warrant a new competitive process.

Non-Competitive Procurements

It is a mandatory requirement of the Broader Public Sector (BPS) Procurement Directive and E3 Community Services' Purchasing Policy that it is to acquire goods or services through a competitive procurement process. However, it is recognized that in exceptional circumstances, only one supplier may be able or capable of providing the goods or services. In these circumstances the Single Source/Sole Source Certification form (attached), appropriately signed, must accompany the requisition, and be forwarded to the Finance Department prior to the commencement of procurement and receipt of goods or services. *(See Single Source/Sole Source Certification form attached).*

Contract Management

Payments will 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.

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

Each contract will include a dispute resolution process, establish clear terms of reference for the assignment, expense claim and reimbursement rules. E3 Community Services will ensure that expenses are claimed and reimbursed only where the contract explicitly provides for reimbursement of expenses.

Procurement Records Retention

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.



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7.03 **Conflict of Interest**

E3 Community Services will monitor any conflict of interest that may arise as a result of the Members of the Organization, advisors', external consultants', or suppliers' involvement with the Supply Chain Activities. Individuals involved with the Supply Chain

Activities must declare actual or potential conflicts of interest. Where a conflict of interest arises, it will be evaluated, and an appropriate mitigating action will be taken.

8 **REFERENCES and RELATED STATEMENTS OF POLICY**

Broader Public Sector Accountability Act, (2010) (BPSAA), and the Ontario Broader Public Sector Procurement Directive (2011).

9 **ATTACHMENTS**

Single Source Form

Purchase Order Quick Part Form

E3 Community Services Inc.

Single/Sole Source Justification Form

To meet the E3 Community Services, the requestor shall complete this form as documentation to forego the normal competitive bid process and place a single/sole source order with the requested vendor for the reasons as stated.

Single Source – more than one vendor exists that can provide the goods or services needed, but a competitive sourcing process is not used due to technical, commercial, or other business considerations. Contract extensions longer than a year should be treated as a single source.

Sole Source – there is only one vendor that can provide the goods or services required.

Completion of this form does not constitute approval that the proposed vendor will be selected. If additional information is required, the requestor is responsible for providing the required information and documentation to Management.

Submitted by:

Title:

Date:

Estimated Price:

Source Type:

Single Source / Sole Source (*Circle one*)

Proposed Vendor:

Material or Service Description:

The requested product or service has unique design/performance specifications which are essential to protocol, clinical service, or other needs that are not available in comparable products. (*choose one of the three by highlighting*)

The sole provider of goods/service/maintenance of an OEM product.

Upgrade to existing software or equipment available only from the manufacturer or their designated service dealer.

Business reasons (i.e. required on-site date, standardization, technical specifications)

Justification with supporting evidence for Single/Sole Source (for all items checked, an explanation is REQUIRED):

E3 Community Services

PURCHASE ORDER

100 Pretty River Pkwy, North
Collingwood, ON L9Y 4X2
Phone: 705-445-6351

DATE

Website: www.e3.ca

VENDOR

[Company Name]

[Contact or Department]

[Street Address]

[City, ST PC]

Phone: (000) 000-0000

Fax: (000) 000-0000

SHIP TO if =different than Main Office

[Name]

[Company Name]

[Street Address]

[City, ST PC]

[Phone]

SHIPPING TERMS		SHIPPING METHOD		DELIVERY DATE	
Cost, Insurance & Freight					
ITEM #	DESCRIPTION	QTY	UNIT PRICE	TOTAL	
				\$.00	
Please give Brief Rational for Purchase			SUBTOTAL	\$.00	
			TAX	13%	
			SHIPPING	\$.00	
			TOTAL	\$.00	