



POLICY:					
Broader Public Sector Procurement Directive					
Policy #:	Section:	Effective:	Reviewed:	Revised:	Approved By:
8-1	Section 8 - Finance	February 2, 1996	November 25, 2025	January 22, 2024	Board of Directors

POLICY:

Sudbury Developmental Services (SDS) will utilize the Broader Public Sector (BPS) Procurement Directive issued by the Management Board of Cabinet under the authority of the Broader Public Sector Accountability Act, 2010, (Section 12).

PURPOSE:

The purpose of the Directive is:

- To ensure that SDS's publicly funded goods and services, including construction, consulting services and information technology will be outlined through a process that is open, fair and transparent.
- To ensure that SDS's responsibilities will be outlined throughout each stage of the procurement process.
- To ensure that SDS's procurement processes are managed consistently throughout this Broader Public Sector Procurement Directive Policy.
- To provide guidelines for entering into contracts and to establish internal controls over the authorization of procurement processes.
- To ensure that SDS shall endeavour to receive value for money when procuring goods, services and consulting services.

PRINCIPLES:

This Directive is based on the five key principles that will allow SDS to achieve value for money while following a procurement process that is fair and transparent to all stakeholders:

- **Accountability**
SDS will be accountable for the results of its procurement decisions and the appropriateness of the processes.
- **Transparency**
SDS will be transparent to all stakeholders. Wherever possible, stakeholders will have equal access to information on procurement opportunities, processes and results.
- **Value for Money**
SDS will maximize the value it receives from the use of public funds. A value-for-money approach aims to deliver goods and services at the optimum total lifecycle cost.
- **Quality Service Delivery**
SDS will ensure that front-line services provided by SDS staff, such as teaching and member care, will receive the right product, at the right time, in the right place.
- **Process Standardization**
SDS will ensure that standardized processes will remove inefficiencies and create a level playing field.

KEY DEFINITIONS:

“Goods and services” means any goods, construction and services, including but not limited to IT and consulting services.

“Members of an Organization” means all trustees, members of the Board of Directors, Senior Executives and employees of the organization, or their equivalent.

“Supply Chain Activities” means all activities directly or indirectly related to the organization’s planning, sourcing, procurement, moving and payment processes.

“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.

SUPPLY CHAIN CODE OF ETHICS (CODE):

This Code does not supersede Codes of Ethics that SDS currently has in place, but supplements SDS’s Codes of Ethics with the Supply Chain specific standards of practice.

SDS has formally adopted and will abide to the Code in accordance with its governance processes. This policy’s intent is to establish the conduct of all SDS staff that are involved with the Supply Chain Activities in accordance with the Code.

This Code will be made available and visible to all SDS staff, as well as to all suppliers and other stakeholders involved with the Supply Chain Activities.

Ontario Broader Public Sector (BPS) Supply Chain Code of Ethics

Goal: SDS will utilize an ethical, professional and accountable BPS Supply Chain.

I Personal Integrity and Professionalism

All SDS staff involved with the Supply Chain Activities will act, and be seen to act, with integrity and professionalism. Honesty, care and due diligence will be integral to all Supply Chain Activities within and between SDS, suppliers and other stakeholders. Respect will be demonstrated for each other and for the environment. Confidential information will be safeguarded. Participants will 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

SDS will ensure that the Supply Chain Activities will be open and accountable. In particular, contracting and purchasing activities will be fair, transparent and conducted with a view to obtaining the best value for public money. SDS will ensure that public sector resources are used in responsible, efficient and effective manner.

III Compliance and Continuous Improvement

SDS will ensure that individuals involved with purchasing or other Supply Chain Activities will comply with this Code of ethics and the laws of Canada and Ontario. SDS staff involved will continuously work to improve supply chain policies and procedures, to improve its supply chain knowledge and skill levels, and to share leading practices.

PROCUREMENT PROCEDURES:

SDS will ensure that all contracts entered by, or in the name of Sudbury Developmental Services will follow the requirements set forth in the Broader Public Sector (BPS) Procurement Directive.

7.2.1 Mandatory Requirement #1: Segregation of Duties

Organizations must segregate at least three of the five functional procurement roles: Requisition, Budgeting, Commitment, Receipt and Payment. Responsibilities for these roles must lie with different departments or, at a minimum, with different individuals. Where it is not feasible to segregate these roles, i.e., for smaller Organizations, adequate compensating controls approved by an external auditor must be put in place.

7.2.2 Mandatory Requirement #2: Approval Authority

7.2.2.1 Goods and non-consulting services

Organizations must establish an approval authority schedule (AAS) for procurement of goods and non-consulting services. The AAS must identify, for each of the functional procurement roles identified in Section 7.2.1, authorities that are allowed to approve procurements for different dollar thresholds. The AAS must be approved by the board of directors of the Organization or its equivalent. Prior to commencement, any procurement of goods and non-consulting services must be approved by an appropriate authority in accordance with the AAS of the Organization. Prior to commencement, any non-competitive procurement of goods or non-consulting services must be approved by an authority one level higher than the AAS requirements for competitive procurement.

7.2.2.2 Consulting services

Prior to commencement, any procurement of consulting services must be approved in accordance with the Procurement Approval Authority Schedule for Consulting Services below.

Procurement Approval Authority Schedule (AAS) for Consulting Services:

Invitational Competitive	\$0 up to but not including \$121,200		Organization's AAS for goods and non-consulting services
Open Competitive	Any value		Organization's AAS for goods and non-consulting services
Non-competitive*	\$0 up to but not including \$121,200		Executive Director or equivalent
	\$121,200 or more	Board of Directors or equivalent	

*Exemption-based only

Consulting Services: Organizations must not reduce the overall value of procurement (e.g., dividing a single procurement into multiple procurements) in order to circumvent the approval requirements of the organizational AAS or the Procurement AAS for Consulting Services.

7.2.3 Mandatory Requirement #3: Competitive Procurement Thresholds

Organizations must conduct an open competitive procurement process where the estimated value of procurement of goods or services is \$121,200 or more. The exemptions must be in accordance with the applicable trade agreements. Organizations must competitively procure consulting services irrespective of value. The exemptions must be in accordance with the applicable trade agreements.

Goods, Non- Consulting Services and Construction

Organizations must not reduce the overall value of procurement (e.g. dividing a single procurement into multiple Procurements) in order to circumvent competitive procurement thresholds.

Total Procurement Value	Means of Procurement	
\$0 up to but not including \$100	Petty cash	Recommended
\$100 up to but not including \$3,000	Procurement card (P-card)	Recommended
\$3,000 up to but not including \$10,000	Purchase order	Recommended
\$10,000 up to but not including \$121,200	Invitational competitive procurement (minimum of three suppliers are invited to submit a bid)	Recommended
\$121,200 or more	Open competitive process	Required

Consulting Services:

Total Procurement Value	Consulting Services Means of Procurement	Recommended / Required
\$0 up to but not including \$ 121,200	Invitational or open competitive process	Required
\$121,200 or more	Open competitive process	Required

7.2.4 Mandatory Requirement #4: Information Gathering

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

7.2.5 Mandatory Requirement #5: Supplier Pre-Qualification

The Request for Supplier Qualification (RFSQ) enables Organizations to gather information about supplier capabilities and qualifications in order to pre-qualify suppliers for an immediate product or service need or to identify qualified candidates in advance of expected future competitions.

Terms and conditions of the RFSQ document must contain language that disclaims any obligation of the Organization to call on any supplier to provide goods or services as a result of pre-qualification.

7.2.6 Mandatory Requirement #6: Posting Competitive Procurement Documents

Calls for open competitive procurements must be made through an electronic tendering system that is readily accessible by all Canadian suppliers.

7.2.7 Mandatory Requirement #7: Timelines for Posting Competitive Procurements

Organizations must provide suppliers a minimum response time of 15 calendar days for procurement of goods and services valued at \$121,200.00 and up to \$366,800.00. Organizations must consider providing suppliers a minimum response time of 30 calendar days for procurements of high complexity, risk, and/or dollar value.

7.2.8 Mandatory Requirement #8: Bid Receipt

Bid submission date and closing time must be clearly stated in competitive procurement documents. Organizations must set the closing date of a competitive procurement process on a normal working day (Monday to Friday, excluding provincial and national holidays). Submissions that are delivered after the closing time must be returned unopened.

7.2.9 Mandatory Requirement #9: Evaluation Criteria

Evaluation criteria must be developed, reviewed and approved by an appropriate authority prior to commencement of the competitive procurement process. Competitive procurement documents must clearly outline mandatory, rated, and other criteria that will be used to evaluate submissions, including weight of each criterion. Mandatory criteria (e.g., technical standards) should be kept to a minimum to ensure that no bid is unnecessarily disqualified. Maximum justifiable weighting must be allocated to the price/cost component of the evaluation criteria. All criteria must comply with Section 7.2.14, Non-discrimination, of the Directive. The evaluation criteria are to be altered only by means of addendum to the competitive procurement documents. Organizations may request suppliers to provide alternative strategies or solutions as a part of their submission. Organizations must establish criteria to evaluate alternative strategies or solutions prior to commencement of the competitive procurement process. Alternative strategies or solutions must not be considered unless they are explicitly requested in the competitive procurement documents.

7.2.10 Mandatory Requirement #10: Evaluation Process Disclosure

Competitive procurement documents must fully disclose the evaluation methodology and process to be used in assessing submissions, including the method of resolving tie score. Competitive procurement documents must state that submissions that do not meet the mandatory criteria will be disqualified.

7.2.11 Mandatory Requirement #11: Evaluation Team

Competitive procurement processes require an evaluation team responsible for reviewing and rating the compliant bids. Evaluation team members must be made aware of the restrictions related to utilization and distribution of confidential and commercially sensitive information collected through the competitive procurement process and refrain from engaging in activities that may create or appear to create a conflict of interest. Evaluation team members must sign a conflict-of-interest declaration and non-disclosure of confidential information agreement.

7.2.12 Mandatory Requirement #12: Evaluation Matrix

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.

7.2.13 Mandatory Requirement #13: Winning Bid

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.

7.2.14 Mandatory Requirement #14: Non-Discrimination

Organizations must not discriminate or exercise preferential treatment in awarding a contract to a supplier as a result of a competitive procurement process.

7.2.15 Mandatory Requirement #15: Executing the Contract

The agreement between the Organization and the successful supplier must 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 the Organization 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.

7.2.16 Mandatory Requirement #16: 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 the Organization and the successful supplier must be defined formally in a signed written contract before the provision of supplying goods or services commences.

7.2.17 Mandatory Requirement #17: Termination Clauses

All contracts must include appropriate cancellation or termination clauses. Organizations should seek legal advice on the development of such clauses. When conducting complex procurements, organizations should consider, as appropriate, the use of contract clauses that permit cancellation or termination at critical project life-cycle stages.

7.2.18 Mandatory Requirement #18: Term of Agreement Modifications

The term of the agreement and any options to extend the agreement must be set out in the competitive procurement documents. An approval by an appropriate authority must be obtained before executing any modifications to the term of agreement. Extending the term of agreement beyond that set out in the competitive procurement document amounts to non-competitive procurement where the extension affects the value and/or stated deliverables of procurement.

7.2.19 Mandatory Requirement #19: Contract Award Notification

For procurements valued at \$121,200 or more, Organizations must 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 the Organization was executed. Contract award notification must list the name of the successful supplier, agreement start and end dates, and any extension options.

7.2.20 Mandatory Requirement #20: Supplier Debriefing

For procurements valued at \$121,200 or more, Organizations must inform all unsuccessful suppliers about their entitlement to a debriefing. Organizations must allow unsuccessful suppliers 60 calendar days following the date of the contract award notification to request a debriefing.

7.2.21 Mandatory Requirement #21: Non-Competitive Procurement

(i) Organizations should employ a competitive procurement process to achieve optimum value for money. It is recognized, however, that special circumstances may require Organizations to use non-competitive procurement. Organizations may utilize non-competitive procurement only in situations outlined in the exemption, exception, or non-application clauses of the AIT or other trade agreements. Prior to commencement of non-competitive procurement, supporting documentation must be completed and approved by an appropriate authority within the Organization. (ii) School boards may utilize a non-competitive procurement process for the procurement of student home to school transportation services for the period July 1, 2011 to December 31, 2011.

7.2.22 Mandatory Requirement #22: Contract Management

Procurements and the resulting contracts must be managed responsibly and effectively. Payments must be made in accordance with provisions of the contract. All invoices must contain detailed information sufficient to warrant payment. Any overpayments must be recovered in a timely manner. Assignments must be properly documented. Supplier performance must be managed and documented, and any performance issues must be addressed. To manage disputes with suppliers throughout the life of the contract, Organizations should include a dispute resolution process in their contracts. For services, organizations must:

- Establish clear terms of reference for the assignment. The terms should include objectives, background, scope, constraints, staff responsibilities, tangible deliverables, timing, progress reporting, approval requirements, and knowledge transfer requirements.
- Establish expense claim and reimbursement rules compliant with the Broader Public Sector Expenses Directive¹ and ensure all expenses are claimed and reimbursed in accordance with these rules.
- Ensure that expenses are claimed and reimbursed only where the contract explicitly provides for reimbursement of expenses.

¹As set out in the *Broader Public Sector Accountability Act, 2010* (s.10)

7.2.23 Mandatory Requirement #23: 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. Organizations must have a written policy for handling, storing and maintaining the suppliers' confidential and commercially sensitive information.

7.2.24 Mandatory Requirement #24: Conflict of Interest

Organizations must 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 must be evaluated and an appropriate mitigating action must be taken.

7.2.25 Mandatory Requirement #25: Bid Dispute Resolution

Competitive procurement documents must outline bid dispute resolution procedures to ensure that any dispute is handled in an ethical, fair, reasonable, and timely fashion. Bid dispute resolution procedures must comply with bid protest or dispute resolution procedures set out in the applicable trade agreements.

SUDBURY DEVELOPMENTAL SERVICES CONTRACTS AND CONSULTANT AGREEMENTS GUIDELINES:

All contracts over \$121,200 and all consultant agreements of any dollar value must be preceded by, and result from, a Request for Proposal (RFP) and a 3 bid quote. All contracts and consultant agreements must be consistent with SDS's Mission, Vision, Values, conform to the Conflict of Interest Policy, and conform to all other applicable SDS policies.

AUTHORITY TO SIGN CONTRACTS AND CONSULTANT AGREEMENTS:

The following thresholds and approval levels are required for the procurement of goods, services and consulting services:

- (a) Up to \$2,000.00 – approval by Managers (to be reviewed by the Director of Finance/Administration).
- (b) Up to \$5,000.00- approval by Director of Finance and Administration.
- (c) Up to \$121,199.00– approval by Executive Director.
- (d) Over \$121,200.00 – following the completion of the required Procurement Process, the selection of the winning bid is done by the Executive Director, the Director of Finance/Administration, and the specific Program Manager, and recommendations are presented to the SDS Board of Directors for approval.
- (e) For all open tender invitations over \$121,200,00; recommendations must be forwarded to the Executive Director and to the Board of Directors for approval. The requirements must be defined properly and clearly and in compliance with the procedures covered in the BPS Procurement Directive.

See attached BPS Procurement Directive Guidelines for additional information on mandatory requirements for Procurement Process.

Authority is not vested in any employee to approve payment of their own expense. Such payments will be authorized by their Supervisor.

Levels:

- (a) All contracts entered into by SDS that exceed \$5,000, but under \$121,200,00 and/or binds SDS for more than one year, but less than 5 years, must be reviewed and approved by the Executive Director.
- (b) All contracts entered into SDS that exceed \$121,200,00 and/or that binds SDS for more than 5 years must be reviewed by the Executive Director and approved by the Board of Directors.
- (c) Any purchase with a gross value greater than \$25,000 and not approved in the budget shall be reviewed and authorized by the Executive Director and forwarded to the Board of Directors for final approval.
- (d) It is the responsibility of the individual with the signing authority involved in the purchase and reimbursement of goods and services to ensure compliance with this policy and procedure. The Finance Department is

responsible for verifying that the amount requested is supported by the attached documents and that the signature is by the appropriate signing authority.

- (e) The Manager of the department the purchase is related to approves the requisition. Special authorization is required if the amount of the requisition is over a certain limit or an unbudgeted expense. Only individuals with the appropriate level of authority are able to approve the cheque requisition.

CONTRACTS NOT PREVIOUSLY INCLUDED IN THE ANNUAL BUDGET:

All contracts and/or other expenditures up to \$25,000 for which prior budget approval has not been given will require a budget proposal to be prepared, reviewed by the Finance Department (to allocate to the appropriate program budget) and submitted to the Executive Director for approval. Contracts and/or other expenditures that exceed \$121,200,00 must be reviewed by the Executive Director and forwarded to the Board of Directors for final approval.

SIGNING OF CONTRACTS:

The Executive Director or the designate, who has obtained prior written approval from the Board of Directors and has been granted signing authority, shall sign each contract. Each contract will be witnessed and dated and may be embossed with the corporate seal.

LOCATION OF ORIGINAL CONTRACTS:

An original signed copy of all contracts that bind SDS must be provided to the Finance Department located at SDS's Head Office for filing and monitoring.

PURCHASE OF SERVICE CONTRACTS:

Definition:

A “**purchase of a service contract**” is a written agreement between SDS and an individual or organization in which specific services are to be provided. The following shall apply to all contracts signed by SDS:

- (a) All purchases are within the approved budget.
- (b) The Board of Directors authorizes the annual expenses of the agency by approving the annual budget.
- (c) For any purchases not incorporated into the fiscal budget, the Board of Directors delegates authorization responsibility to the Executive Director. However, the Board of Directors shall be informed of major purchases that have the potential to affect the direction or financial results of the agency.

RESPONSIBILITY:

Prior to the commencement of any contract, SDS will ensure:

- (a) Contracts are entered into when there is an advantage to the agency by doing so.
- (b) A full range of potential arrangements is investigated before entering into an exclusive contract.
- (c) Legal assistance or advice is obtained if necessary for any non-standard clauses.
- (d) All contracts entered into by the agency are reviewed and approved by the Executive Director or designate. Special authorization is required if the amount of the contract is over a certain limit or an unbudgeted expense. Only individuals with the appropriate level of authority can approve and sign a contract.
- (e) As best practice, contractor must provide proof of liability insurance and WSIB coverage where appropriate.
- (f) Each contract is dated, witnessed or embossed with the agency's corporate seal if required.
- (g) The agency also ensures that a completed copy of the final contract is made available to all other signatories.
- (h) The original copy of a signed contract is kept in a secure place at the agency's finance department.
- (i) All Purchase of Service contracts must meet the agency's conflict of interest guidelines.
- (j) At least 3 months prior to the completion of the contract, the Executive Director or designate reviews and plans for the renewal or tendering of the contract following the above procedures.

Content of Contract:

At a minimum each Purchase of Service Contract entered into by SDS shall provide the following information:

- (a) The nature of the service.
- (b) Anticipated outcomes.
- (c) Reporting requirements.
- (d) Financial obligation.
- (e) Period of time covered by contract (no contract can be established in perpetuity).
- (f) Invoicing procedure and payment schedule.
- (g) Termination and escape clause.
- (h) Table of content regarding negotiated work plan.
- (i) Name(s) of SDS staff who have been given the authority to act on SDS's behalf in relation to the services provided and the service provider.
- (j) Description of monitoring process.
- (k) Confidentiality Agreement.
- (l) Warranty for completed services meeting the quality standards specified.

INFORMATION REQUIRED FOR PROPER PAYMENT AUTHORIZATION:

All invoices must be reviewed and approved prior to payment by the staff authorized to sign. Authorization is to include:

- (a) **Date** – Date of request.
- (b) **Completed by** – Name of the person completing the form (if a cheque requisition).
- (c) **Payable to** – The name and complete address of the payee.
- (d) **Description** – Reason for payment cross-referenced to supporting details or documents and attached to the requisition.
- (e) **Coding section** – The account code or codes to be debited and the corresponding amounts with taxes (HST) identified.
- (f) **Amount** – Total amount of the cheque to be issued.
- (g) **Approved by** – Requires authorized signature on purchase order (PO).
- (h) **Special delivery instructions** – If the cheque is not to be directly routed to the payee then the appropriate routing instructions need to be reported in this space.
- (i) **Date required** – Record date cheque is required if different from regular cheque run.

CONSISTENCY WITH ALL OTHER SDS POLICIES, PROCEDURES AND GUIDELINES:

A Purchase of Service contract must adhere to all other SDS policies, procedures and guidelines with respect to financial support, expense rules (hospitality and incidental expenses), levels of approval authority, levels of signing authority and location of originally signed contract.

In no circumstances can hospitality, incidental for food expenses be considered allowable expenses for consultants and contractors under the rules or in any contract between an organization and a consultant or contractor. Therefore, they cannot claim or be reimbursed for such expenses, including:

- (a) Meals, snacks and beverages.
- (b) Gratuities.
- (c) Laundry or dry cleaning.
- (d) Valet services.
- (e) Dependent care.
- (f) Home Management.
- (g) Personal telephone calls.

PROCUREMENT RECORD RETENTION:

SDS will handle, store and maintain vendor's confidential and communicational sensitive information in an appropriate and legal manner.

SDS will conduct procurement activities according to the law in Ontario, including contract law, the law of competitive processes, privacy legislation, accessibility legislation and any other legislation as may be applicable.

SDS will also be subject to various trade agreements, including but not limited to the Agreement on Internal Trade (AIT) and the Ontario-Quebec trade and Cooperation Agreement (Ontario-Quebec Agreement).

EVALUATION:

This policy will be evaluated and reviewed annually by management.

REFERENCES:

<http://www.fin.gov.on.ca/BPSsupplychain>

Copy of the Broader Public Sector (BPS) Procurement Directive Policy Guidelines.