



POLICY MANUAL

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## 1. APPLICATION/SCOPE

This policy applies to the acquisition of goods and services by the Town of Wasaga Beach.

## 2. DEFINITIONS

Words and phrases used in this policy have the following meanings, unless expressly stated otherwise:

- (a) **“Bid”** means a proposal, tender or other form of supplier submission to the Town in response to a RFX.
- (b) **“Bidder”** means a supplier that submits a Bid.
- (c) **“Buying Group”** means a cooperative arrangement in which individual members administer the procurement function for specific Goods or Services for the group and includes a buying group entity where the entity administers procurement for its members. Standing arrangements established by provincial, territorial and federal governments that are open to municipalities are deemed to be Buying Group contracts under this policy.
- (d) **“Contract”** means a written agreement between the Town and a supplier for the procurement of Goods or Services by any contractual means, including purchase, lease, and rental, with or without an option to buy.
- (e) **“Contract Value”** has the meaning assigned in Section 5.3 (Procurement Authority).
- (f) **“Contractor”** means a supplier that is a party to a Contract for the supply of Goods or Services to the Town.
- (g) **“Council”** means the Council of the Town and a Council committee delegated to perform a function related to this policy.
- (h) **“Department Head”** means the head of a department operating within the Town regardless of their title and includes, for purposes of this policy, their authorized delegate.
- (i) **“Emergency”** has the meaning assigned in the Town’s Emergency Response Plan.
- (j) **“Expenditure Authority”** means the authority to commit Town funds to the purchase of Goods and Services as set out in Sections 5.1 (General Expenditure Authority) and 5.2 (Exceptional Expenditure Authority).
- (k) **“Formal Contract”** means a long form Contract, prepared by the Town or by a supplier that is signed by both the Town and the supplier.

- (l) **“Goods”** means tangible and intangible moveable property and includes supplies, equipment, materials, products, software, furniture, structures, and fixtures to be delivered, installed, or constructed.
- (m) **“Informal Contract”** means a document or written transaction, such as a credit card purchase, purchase order or written confirmation of proposal acceptance that commits the Town to purchase specified Goods and Services and that may, or may not be, signed by the Town.
- (n) **“Prequalification Process”** means a publicly advertised opportunity for suppliers to prequalify for participation in one or more subsequent procurement processes.
- (o) **“Prequalified Supplier List”** means a list of suppliers that have satisfied the requirements of a Prequalification Process and are prequalified to participate in future procurements covered by the list.
- (p) **“RFx”** means a document inviting suppliers to submit Bids with a view to being awarded a Contract for the purchase of Goods or Services, such as a Request for Prequalification (RFPQ), Request for Quotes (RFQ), Request for Tenders (RFT) or Request for Proposals (RFP).
- (q) **“Services”** means all services, including professional services and construction services, unless otherwise specified.
- (r) **“Town”** means the Corporation of the Town of Wasaga Beach.

### 3. POLICY OBJECTIVES

The objectives of this policy are to:

- (a) to describe the roles, responsibilities, authorities and accountabilities of the CAO, Treasurer and others involved in the procurement and contracting process;
- (b) promote openness, honesty, fairness, integrity, accountability, and transparency while obtaining the best value for money in the procurement of Goods and Services;
- (c) promote ethical conduct and avoid conflicts of interest – real, apparent, and potential – between suppliers and elected officials and staff;
- (d) promote goals of environmental sustainability and ensure accessibility requirements are met in procurement; and
- (e) ensure procurement processes are consistent with legal and trade agreement obligations.

## **4. ROLES AND RESPONSIBILITIES**

### **4.1. General Responsibilities**

- (a) All Town staff and any other person authorized to purchase Goods and Services on behalf of the Town must comply with this policy and related procedures.

### **4.2. Council**

- (a) Council's role in procurement is, generally, to establish the policy, approve the budget and modifications to the budget, receive reports on the Town's procurement and contracting activities and approve Contracts awards.
- (b) Council has the ultimate authority for this policy including the authority to approve exceptions and amendments to this policy.

### **4.3. Chief Administrative Officer (CAO)**

- (a) The CAO is accountable to Council for the proper administration of, and staff compliance with, this policy and related procedures.
- (b) Subject to the requirements of this policy, the CAO, as head of the Town administration, may exercise or override the authorities delegated to a Department Head under Section 5 (Delegation of Authority) as deemed appropriate.

### **4.4. Treasurer**

- (a) The Treasurer is responsible for establishing the procedures and templates to be used by the Town for procurement and contracting that are consistent with this policy, applicable laws and trade agreements and for approving the use of alternative forms of templates and agreements where appropriate.
- (b) The Treasurer is responsible for monitoring and recording expenditures against approved budgets, and approving payments to Contractors, as set out in this policy and related procedures.
- (c) The Treasurer will assist Town staff in the interpretation and application of this policy and related procedures.

### **4.5. Department Head**

- (a) Department Heads are authorized to procure Goods and Services on behalf of the Town subject to the requirements of this policy.
- (b) Department Heads are accountable for, and must oversee, all procurement and contracting activities within their department to ensure compliance with this policy and other Town policies and related procedures.

- (c) Department Heads may delegate their authority to procure Goods and Services on behalf of the Town to staff within their department. Department Heads remain responsible even when authority is delegated.

#### **4.6. General Prohibitions**

All persons undertaking procurements on behalf of the Town must not:

- (a) divide purchases to avoid the requirements of this policy by any method;
- (b) impose or consider, in the evaluation of Bids or awards of Contracts, local content or other economic benefits criteria that are designed to favour:
  - i. the Goods or Services of a particular geographic location or
  - ii. the suppliers of a particular geographic location of such Goods or Services
- (c) circumvent the requirements of this policy including, but not limited to, biasing specifications or scheduling events to prevent suppliers from meeting requirements; or
- (d) provide information to one supplier to give that supplier an advantage over other suppliers.

### **5. DELEGATION OF AUTHORITY**

#### **5.1. General Expenditure Authority**

The CAO and Department Heads are delegated the authority to expend Town funds in accordance with Council-approved budgets, subject to obtaining additional procurement and contracting approvals where required by this policy.

#### **5.2. Exceptional Expenditure Authority**

- 5.2.1. Pending Annual Budget Approval. Prior to the Council approving an annual budget, each Department Head is authorized to commit up to 25% of the previous year's departmental operating budget and up to 25% of the previous year's departmental capital budget. The capital commitment of 25% applies only to projects that were approved by Council in prior years or in cases where Council approval has been obtained.
- 5.2.2. Emergency. Each Department Head is authorized to expend Town funds in excess of their General Expenditure Authority without further approvals to address an Emergency on condition that such expenditure must be limited to that which is necessary to address the Emergency and must be reported to the Treasurer and CAO. The CAO shall ensure the Emergency expenditure is reported to Council as soon as possible.
- 5.2.3. Variances and Unbudgeted Expenditures.

- (a) Budgeted Expenditure Variance. Where there are insufficient funds in the budget line item in the last-approved Council budget, the shortfall may be addressed by reviewing other budget line item with favourable variances that are likely to exist at year-end and allocating those amounts to fund the shortfall.

To commit favourable variances to fund a specific shortfall, the re-allocation of the favourable variance must be approved as set out below prior to any purchase or Contract commitment being made:

<b>Amount</b>	<b>Budget Variance Approval Authority</b>
Up to \$5,000	Department Head
>\$5,000 to \$25,000	Treasurer and CAO, jointly
Over \$25,000	Council

- (b) Unbudgeted Expenditure Request. Where a request is being made to authorize an expenditure that is not included in the last-approved Council budget, the expenditure must be approved as set out below:

<b>Amount</b>	<b>Unbudgeted Approval Authority</b>
Up to \$15,000	Treasurer and CAO, jointly
Over \$15,000	Council

- (c) When determining whether to authorize an exceptional expenditure as set out in paragraphs (a) and (b) above, the CAO and Treasurer will consider the overall impact to the department and corporate financial position, in addition to how the proposed expenditure relates to the priorities established by Council.
- (d) All exceptional expenditure approval authorities granted by the CAO and Treasurer will be submitted quarterly to Council by the Treasurer as an amendment to the budget for Council approval.
- (e) An approval provides the Expenditure Authority but does not automatically authorize awarding a Contract or Contract amendment. Contracts and Contract amendments must be processed for additional approvals as set out in this policy.

### **5.3. General Procurement Authority**

- (a) Expenditure Authority Must be Confirmed: A Department Head must confirm they have the required Expenditure Authority prior to initiating a procurement process.

- (b) Multi-Year Contracts: Where the duration of a proposed Contract, including optional extensions, will extend beyond the period of the last Council-approved budget and there is insufficient Expenditure Authority to cover the anticipated expenditures for the term of the Contract, the procurement process may only be initiated with the Treasurer’s prior approval. Treasurer’s approval will be deemed to provide Expenditure Authority for purposes of proceeding with the procurement.
- (c) Determining the Contract Value: Procurement and Contract approval thresholds in this policy are based on the Contract Value. The Contract Value is the estimated total expenditures under a Contract over the entire period of the Contract, including optional extension periods, inclusive of unrecoverable taxes.
- (d) General Procurement Authority: Department Heads are authorized to initiate competitive or non-competitive procurements with a Contract Value up to \$10,000 and to undertake competitive procurements within their expenditure authority.

**5.4. Non-Competitive Procurement Authority**

- (a) The following procurement and contract approvals must be obtained as a condition of proceeding with a non-competitive procurement:

<b>Approval of Non-Competitive Procurement and Contracts</b>	
<b>Contract Value</b>	<b>Approval Authority</b>
Up to \$10,000	Department Head
Over \$10,000-100,000	CAO
Over \$100,000	Council, subject to receipt of written justification and joint recommendation of CAO and Department Head
By Exception: Emergency Procurement	Department Head

- (b) Once the approval to pursue a non-competitive procurement is granted, there is no requirement for further approvals to enter into a Contract.

**5.5. Contract Award Approval Authority (Competitive Procurement)**

- (a) Following a competitive procurement process, the following approvals must be obtained as a condition of proceeding with the award of Contract:



<b>Contract Value</b>	<b>Contract Award Approval</b>
0-\$100,000	Department Head
Over \$100,000-\$250,000	CAO
Over \$250,000 or Exceptional Situation	Council

**Exceptional Situations**

Council approval to proceed with a Contract award is required in the following exceptional situations:

- The resulting Contract Value exceeds the Expenditure Authority and staff do not have the authority pursuant to this policy to address the shortfall without Council approval;
- Staff do not recommend awarding the Contract to the highest ranked compliant Bidder at the conclusion of a competitive process;
- Council approval is required by statute or by a third party, such as a funding agency; or
- The CAO recommends that Council approval be sought.

**5.6. Contract Signing Authority**

- (a) All Contracts must be signed as provided in the Town’s *Delegation of Powers and Duties* by-law.
- (b) Where contract signing authorities are not provided for in the *Delegation of Powers and Duties* by-law, the following signing authorities apply to all Formal Contracts and amendments to Formal Contracts made pursuant to this policy:

<b>Contract Value</b>	<b>Contract and Contract Amendments</b>
0-\$250,000	Co-signed by Department Head and CAO or Treasurer
Over \$250, 000	Co-signed by Mayor and Clerk

**5.7. Contract Extension, Amendment and Termination Authority**

- (a) Authority to Extend the Term of a Contract: Department Heads are authorized to extend the duration of a Contract if the following conditions are met: (a) the Department

Head has the required Expenditure Authority; and (b) the Contract includes an option to extend the term.

A Contract that does not include an option to extend may only be extended in the following circumstances: (i) a non-competitive procurement process is authorized in accordance with Section 6.6 of this policy; or (ii) if the value of the Goods and Services to be purchased during the extension is under \$100,000 and the CAO has approved the extension.

- (b) Authority to Add Goods or Services to a Contract: Department Heads are authorized to amend Contracts to add Goods or Services without a further competitive process provided the following conditions are met: (i) the Department Head has the required Expenditure Authority; and (ii) the Contract either includes an option to add the class of Goods or Services or the addition of Goods or Services is deemed by the Department Head with the CAO's approval, to be necessary for the completion of the original project.

Where the conditions in paragraph are not met, the Contract may only be amended to add Goods or Services if a non-competitive procurement process is authorized in accordance with this policy.

- (c) Authority to Terminate Contracts: Contracts may only be terminated by the Town prior to the Contract expiration date with the CAO's approval.

#### **5.8. Invoice Payment Approval Authority**

- (a) All invoices must be verified and approved for payment by the applicable Department Head prior to payment. By approving an invoice, the Department Head is confirming the Goods or Services have been received and conform with the requirements of the Contract or, in the case of advanced payments, the payment is being made as contemplated by the Contract.
- (b) Prior to releasing payment, the Treasurer or their delegate must verify invoices for clerical accuracy and availability of funds based on the Expenditure Authorities provided for in this policy.
- (c) The Treasurer may authorize payment of invoices which have been verified in accordance with this policy. Where an invoice requires the expenditure of funds exceeding the Expenditure Authority, the Treasurer may release payment but must ensure the matter is reported to Council.

#### **5.9. Sub-Delegation of Authority**

- (a) A person delegated authority pursuant to this policy may sub-delegate their authority.
- (b) All delegations must be made in writing and signed by the person designated in this policy and forwarded to the Treasurer.
- (c) The person delegated an authority pursuant to this policy remains accountable for a sub-delegate's compliance with this policy and related procedures.

(d) A sub-delegated authority may not be further sub-delegated.

## 6. PROCUREMENT AND CONTRACTING PROCESSES

### 6.1. Competitive Procurement by Default

(a) A competitive procurement process must be used to procure Goods or Services with a Contract Value exceeding \$10,000 unless a non-competitive procurement process is permitted by this policy or the Good or Service is listed as an exclusion in Schedule A – Exclusions.

### 6.2. Competitive Procurement Processes

(a) The following are the required competitive procurement strategies and permitted contracting approaches used for procuring Goods or Services, subject to exceptions as may be provided for in this policy or the procedures:

Contract Value	Competitive Procurement Process	Contracting Approach
Up to \$10,000	Informal Competitive Process  <u>Optional</u> Invitational Competitive Process	Informal Contract  <u>Optional</u> Formal Contract
Over \$10,000- \$25,000	Informal Competitive Process  <u>Optional</u> Invitational Competitive Process Public Competitive	Informal Contract  <u>Optional</u> Formal Contract
Over \$25,000 - \$100,000	Invitational Competitive Process  <u>Optional</u> Public Competitive Process	Informal Contract  <u>Optional</u> Formal Contract
Over \$100,000	Public Competitive Process	Formal Contract, unless otherwise approved by Treasurer

(b) \$0 - \$10,000: Informal Competitive Process (Encouraged): For requirements with a Contract Value of up to \$10,000, Department Heads are encouraged to solicit verbal or written quotes or compare published prices of qualified suppliers prior to making a selection. Department Heads must be prepared to justify a decision to forego such measures.

- (c) Over \$10,000 up to \$25,000: Informal Competitive Process (Required): For requirements with a Contract Value over \$10,000 and up to \$25,000, Department Heads must solicit quotes or, in the absence of a quote, compare published prices of a minimum of 3 qualified suppliers prior to making a selection. Department Heads must provide reasons and request approval from the CAO to compare or obtain prices from fewer than 3 suppliers.
- (d) Over \$25,000 up to \$100,000: Invitational Competitive Process: For requirements with a Contract Value over \$25,000 and up to \$100,000, Department Heads must release an RFX to a minimum 3 qualified suppliers without a requirement to advertise the opportunity. Department Heads must provide reasons and request approval from the CAO to seek Bids from fewer than 3 suppliers.
- (e) Over \$100,000: Public Competitive Process: For procurements over \$100,000, the Department Head must conduct a public competitive procurement process by advertising the RFX on the tendering website designated by the Town for this purpose.

### **6.3. Standing Arrangements**

- (a) Where the Town anticipates it will have a recurring need for specific Goods or Services but is unable to commit to specific quantities in advance, Department Heads may establish standing arrangements with one or more suppliers. To establish a standing arrangement, a public competitive process must be used regardless of the Contract Value.
- (b) A standing arrangement must include all terms and conditions applicable to subsequent procurements, including the price of the Goods or Services and delivery requirements. If standing arrangements are established with multiple Contractors for the same Goods or Services, clear ranking methods and call-up procedures must be specified in the arrangement.
- (c) The Treasurer may establish blanket Contracts for standing arrangements and, subject to having the required Expenditure Authority, Department Heads may issue individual orders against the blanket Contract for purchases not exceeding \$25,000 without requiring additional procurement or contracting approvals. Individual purchases over \$25,000 against the blanket Contract must be approved by the Treasurer.

### **6.4. Prequalified Supplier Lists**

- (a) Department Heads may establish lists of prequalified suppliers for the purposes of future purchases of specific Goods or Services by conducting a publicly advertised prequalification process.
- (b) Once a Prequalified Supplier List is established, purchases may be made by Invitational Competitive Process for Contract Values up to \$365,000 from the prequalified suppliers without undertaking a public competitive process.

## **6.5. Cooperative Purchasing (Buying Groups)**

- (a) The Town may join one or more Buying Groups or purchase from a Buying Group Contract with the Treasurer's approval.
- (b) Once the Treasurer has approved the Town's participation in a Buying Group, a Department Head may enlist the Town in the Buying Group contract or participate in a procurement process administered by the Buying Group without undergoing a separate competitive procurement process.
- (c) A Buying Group Contract is deemed to be a competitively awarded Contract. Approvals to award the Contract or to purchase from a Buying Group Contract must be obtained as set out in this policy prior to committing the Town to purchase any Goods or Services.

## **6.6. Non-Competitive Procurement**

- (a) Contract Value Under \$10,000. The Town may use a non-competitive procurement process if the Contract Value is under \$10,000 and the Department Head determines it is not practical to seek quotes.
- (b) No Compliant Bids Received. The Town may use a non-competitive procurement process if a competitive process was conducted and (i) no Bids were submitted; (ii) no suppliers satisfied the conditions for participation; or (iii) no submitted Bids met the essential requirements of the RFX. In these circumstances, the non-competitive procurement process must be based on substantially the same requirements and specifications that were set out in the RFX.
- (c) Only One Supplier. The Town may use a non-competitive procurement process if the Goods or Services can be supplied only by a particular supplier and no reasonable alternative or substitute Goods or Services exist for any of the following reasons: (i) the requirement is for a work of art; (ii) the protection of patents, copyrights, or other exclusive rights; (iii) due to an absence of competition for technical reasons; (iv) the supply of Goods or Services is controlled by a supplier that is a statutory monopoly; (v) to ensure compatibility with existing Goods, or to maintain specialized Goods that must be maintained by the manufacturer of those Goods or its representative; (vi) work is to be performed on property by a Contractor according to provisions of a warranty or guarantee held in respect of the property or the original work; (vii) work is to be performed on a leased building or related property, or portions thereof, that may be performed only by the lessor.
- (d) Additional Deliveries. The Town may use a non-competitive procurement process for additional deliveries by the original supplier of Goods or Services that were not included in the initial procurement, if a change of supplier for such additional Goods or Services: (i) cannot be made for economic or technical reasons such as requirements of interchangeability or interoperability with existing equipment, software, services, or installations procured under the initial procurement; and (ii) would cause significant inconvenience or substantial duplication of costs for the Town.

- (e) Commodity Market Goods. The Town may use a non-competitive procurement process for Goods purchased on a commodity market such as electricity, postal services, postage, water, fuel, natural gas, furnace oil.
- (f) Prototype and Pilot Projects. The Town may use a non-competitive procurement process if the Town procures a prototype or Good or Service to be developed in the course of a contract for research, experiment, study, or original development, but not for subsequent purchases of the Good or Service in regular production.
- (g) Exceptionally Advantageous Conditions – Unusual Disposals. The Town may use a non-competitive procurement process for purchases made under exceptionally advantageous conditions that only arise in the very short term in the case of unusual disposals such as those arising from liquidation, receivership, or bankruptcy, but not for routine purchases from regular suppliers.
- (h) Winner of Design Contest. The Town may use a non-competitive procurement process if a Contract is awarded to a winner of a design contest provided that: (i) the contest has been publicly advertised and organized in a fair and transparent manner; and (ii) the participants are judged by an independent jury.
- (i) Confidential or Privileged Goods or Services. The Town may use a non-competitive procurement process if Goods or Services regarding matters of a confidential or privileged nature are to be purchased and the disclosure of those matters through a competitive process could reasonably be expected to compromise government confidentiality, result in the waiver of privilege, cause economic disruption, or otherwise be contrary to the public interest.
- (j) Emergency. The Town may use a non-competitive procurement process to obtain Goods or Services required in the event of an Emergency.

#### **6.7. Contract Award Notice (> \$100,000)**

- (a) Where a Contract is awarded with a Contract Value above \$100,000, whether through a public competitive process or a non-competitive procurement process, the Town will publish a Contract award notice on the Town's designated tendering website no later than 72 days after the Contract award.
- (b) The Town may elect not to publish the award of Contract where the non-competitive procurement process was justified for reasons of Confidential or Privileged Goods or Services.

#### **6.8. Bidder Debriefing**

- (a) The Town shall, on request by an unsuccessful Bidder, provide a debriefing during which the Bidder will be provided the reasons why the Town did not select their Bid.

#### **6.9. Supplier Complaints**

- (a) A supplier that wishes to challenge a procurement decision made by the Town is required to provide a written complaint within 5 business days of attending a debriefing

or, if the supplier is not a Bidder, within 10 business days of (i) becoming aware of the basis for a procurement complaint or (ii) date of publication of award.

- (b) Any complaint must be in writing and shall include the following details:
- i. A precise statement of the relevant facts;
  - ii. An identification of the issues to be resolved;
  - iii. The Supplier's argument and supporting documentation; and
  - iv. The Supplier's requested remedy.
- (c) The Treasurer will ensure a review of the complaint is undertaken, and a response to the Supplier's complaint is made within 20 business days.

#### **6.10. Contract Management**

- (a) The Department Head are responsible for ensuring the proper management of Contracts awarded by their department, or division, and to ensure Goods or Services are provided and paid for in accordance with the terms of the Contract.

#### **6.11. Record Retention**

- (a) The Department Head are responsible for ensuring that all documentation relating to a procurement and contracting is properly filed in accordance with the applicable procedures.
- (b) Documentation and reports regarding procurement processes and contract awards must be preserved in accordance with the Town's retention schedules and for a minimum period of at least 3 years from the contract award date.

### **7. ETHICAL CONDUCT**

#### **7.1. Employees and other Persons Acting on behalf of the Town**

- (a) All employees and others involved in procurement and contracting activities on behalf of the Town must:
- comply with the principles and ethical behaviors outlined in the Town's *Employee Code of Conduct Policy*.
  - undertake all procurement activities without positive or negative bias;
  - strive to obtain the maximum value for each dollar of expenditure; and
  - protect confidential supplier information that is submitted in connection with a procurement process or Contract
  - only use Town Contracts for the purchase of Goods and Services for the benefit of the Town and not for theirs, or any one else's use.

- (b) Employees and others involved in any aspect of procurement and contracting on behalf of the Town must promptly declare any direct or indirect pecuniary or personal interest in a procurement or potential Contract to the applicable Department Head or the Treasurer. Where it is determined that a conflict of interest exists and that the conflict cannot be managed, such person shall be excluded from involvement with the procurement.

## **7.2. Council Members**

- (a) Council members are required to respect the principles and ethical behaviors outlined in the Town's *Council Code of Conduct Policy*.
- (b) Without limiting Council's authority as the Town's governing body and to preserve the integrity of the procurement process, unless assigned a specific role in a procurement process:
- individual members of Council, including the Mayor, must remain at arm's length from staff and suppliers in the procurement process and refrain from either intervening or interfering in the procurement process, the evaluation of Bids, selection of suppliers, or staff recommendations; and
  - Individual members of Council should not receive or review any information or documents related to a particular procurement during the procurement process.

## **7.3. Suppliers**

- (a) Suppliers are required to comply with the principles and ethical behaviours outlined in the Town's Supplier Code of Conduct attached as Schedule B to this policy.

## **8. SUPPLIER SUSPENSION**

- 8.1.** A supplier may be suspended by the CAO from future participation in Town procurements, or a Bid disqualified from a supplier on grounds such as:
- a violation of the Supplier Code of Conduct attached as Schedule B to this policy;
  - bankruptcy or insolvency;
  - being engaged in a dispute or litigation with the supplier.

## **9. GREEN PROCUREMENT**

- 9.1.** Through procurement and contracting, the Town will endeavor to promote goals of environmental responsibility and sustainability by incorporating green procurement requirements where practical and feasible.



## **10. ACCESSIBILITY**

- 10.1.** As required by the Town's *Accessibility Policy*, the Town will incorporate accessibility criteria into specifications unless it is not practical to do so.

## **11. INFORMATION REPORTS TO COUNCIL**

- 11.1.** Quarterly Report on Procurements. For information purposes, the Treasurer shall submit a monthly report to Council on all Contract awards, contract extensions and contract amendments, resulting in a Contract Value of \$100,000 or higher that were undertaken since the previous report.
- 11.2.** Annual Report on Spend Analysis. Every year, the Treasurer shall perform an analysis of the previous year's procurements from suppliers with a view to identifying opportunities to bundle the purchase of recurring requirements under a single contract to achieve savings and efficiencies for the Town. This report, which shall contain the results of the analysis, next steps and anticipated benefits for the Town, shall be presented to Council as an information report.

## **12. POLICY REVIEWS AND AMENDMENTS**

- 12.1** All changes to this policy require the approval of Council except for changes of an administrative nature, such as the change in title of a position. A formal review of the policy must be undertaken by the Treasurer at least once every 5 years.

## **SCHEDULE A – EXCLUSIONS**

Contracts for Goods and Services and payment of the expenses listed below are excluded from the competitive procurement requirements and public notices required by this policy.

If a contract is excluded by virtue of this Schedule A, the competitive and public notice requirements in this policy shall not apply to any Good or Service supplied pursuant to that contract.

### **A. General Exclusions**

- (a) Goods or Services financed primarily from donations that require the procurement to be conducted in a manner inconsistent with this policy.
- (b) Procurements by the Town on behalf of an entity not covered by this policy.
- (c) Procurements under a commercial agreement between the Town which operates sporting or convention facilities and an entity not covered by this policy that contains provisions inconsistent with this policy.
- (d) Acquisition of Goods or Services for the purpose of commercial sale or re-sale by the Town.
- (e) Procurement of Goods or Services from philanthropic institutions, non-profit organizations, prison labour, or natural persons with disabilities.
- (f) Procurement of Goods or Services for the specific purpose of providing international assistance, including development aid, provided that the Town does not discriminate on the basis of origin or location within Canada of goods, services, or supplier.

### **B. Excluded Professional Services**

- (a) Health or social services.
- (b) Services that may, under applicable law, only be provided by licensed lawyers or notaries.
- (c) Services of expert witnesses or factual witnesses used in court or legal proceedings.
- (d) Financial services respecting the management of government financial assets and liabilities (i.e., treasury operations), including ancillary advisory and information services, whether or not delivered by a financial institution.

### **C. Non-Procurement Transactions**

- (a) Employment contracts.
- (b) Payroll related expenditures (tax remittances, pension remittances, etc..)
- (c) Non-legally binding agreements.
- (d) Insurance premiums.

- (e) Legally required licenses (vehicles, radios, elevators, etc..).
- (f) Payments of debts.
- (g) Sales tax remittances (HST).
- (h) Procurement or acquisition of fiscal agency or depository services (banking services).
- (i) Any form of financial assistance, such as grants, loans, equity infusions, guarantees, and fiscal incentives.
- (j) Agreements between enterprises that are controlled by or affiliated with the same enterprise, or between one government body or enterprise and another government body or enterprise.
- (k) Acquisition or rental of land, real property payments including land, buildings, leasehold interests, easements, encroachments and licenses, or the like. The landlord's or seller's provision of related services, such as the fit up of premises will also be excluded.
- (l) Management of third-party claims against the Town, negotiation of legal settlements and grievance settlements.
- (m) Binding orders, judgments or decisions of an arbitrator, tribunal, or court. Given that these payments are mandatory, approval from the Department Head which is funding the payment is required.
- (n) Refundable travel expenses.
- (o) Other Town and employee related expenses, such as: memberships in professional organizations (professional dues), staff attendance at seminars, testing or examination fees, workshops, courses, training, trade shows or conferences.

## **SCHEDULE B - SUPPLIER CODE OF CONDUCT**

### **A. INTRODUCTION**

The following describes the minimum standards of business conduct the Town expects from every supplier, including their owners, employees, agents, partners and subcontractors who provide goods or services to the Town.

### **B. STANDARDS OF CONDUCT**

#### **Honesty, Integrity and Professionalism**

Suppliers must treat all persons honestly, fairly, professionally and with courtesy and at all times act responsibly and diligently in the performance of their duties.

Suppliers must respond to the Town's solicitations in an honest, fair and comprehensive manner that accurately reflects their ability to satisfy the requirements in the solicitation document.

#### **Workplace Well-Being**

The Town is committed to protecting the health and safety of all employees and others working or otherwise interacting with the Town, to protect against illness, injury, incidents of discrimination, violence, and harassment. Consistent with the Town's commitment, suppliers must ensure, provide, and maintain a safe and healthy work environment to all persons in the workplace or in the Town's facilities that is free from risks of illness or injury, and of incidents of discrimination, violence and harassment.

#### **Intimidation of Other Suppliers**

No supplier may threaten, intimidate, harass, or otherwise interfere with any attempt by another prospective supplier to bid for a contract or to perform any contract awarded by the Town.

#### **Conflicts of Interest**

Suppliers are required to promptly disclose any potential, actual or apparent conflict of interest (as defined below) when dealing with the Town. Where the conflict can not be sufficiently mitigated or avoided, the Town may suspend a supplier from participating in a procurement process or terminate the Contract.

A **conflict of interest**, in relation to the procurement or the contract with the Town is where a supplier's conduct or their commitments, relationships or financial interests, could be seen to, compromise the fairness of the procurement process or otherwise impair or be incompatible with the effective performance of suppliers' contractual obligations and may include:

- (a) engaging family members, friends, or business associates of any staff or public office holder at the Town which may have, or appear to have, any influence on the procurement process, or subsequent performance of the contract;

- (b) communicating with any person to obtain preferred treatment in the procurement process;
- (c) engaging current staff or public office holders at the Town, or any former staff or public office holders that left their position at the Town within the previous 12 months to take part in the preparation of the Bid or the performance of the Contract, if awarded;
- (d) prior involvement by the supplier or affiliated persons in developing the specifications or other evaluative criteria for the RFX;
- (e) access to related confidential information by the supplier or affiliated persons that is not readily available to other prospective suppliers;
- (f) any other conduct that compromises, or could be seen to compromise, the integrity of the procurement process; and
- (g) with regard to the performance of the contract, any current or former relationship that would cast doubt on the supplier's ability to provide independent and unbiased advice to the Town.

### **Confidentiality**

Suppliers must maintain the confidentiality of all non-public information disclosed to the supplier as part of the procurement process. Any misuse by a bidder of confidential information belonging to the Town or another bidder shall be grounds for disqualification of the bid.

### **Compliance with Laws**

Suppliers must comply with applicable laws during the bidding process, including the *Competition Act*, and any law that applies to suppliers as Contractors to the Town or in any other capacity.

### **Gifts and Entertainment, Anti-Bribery and Corruption**

No payments, gifts or other benefits or inducements may be given, directly or indirectly, to any person directly or indirectly involved, or that may become involved, in a procurement process or Contract-related decision for the purpose of influencing decisions in the Town or the supplier's favour or securing any other improper advantage.

Suppliers must ensure that the requirements of all applicable anti-corruption laws are met, including, but not limited to, Canada's *Corruption of Foreign Public Officials Act*.

Suppliers are expected to ensure that payments made to agents or other third parties are not used, in whole or in part, to influence government decisions or secure any other improper advantage.

### **Collusion and Bid Rigging**

By submitting a Bid, a supplier is certifying to the Town that: (a) the prices in their Bid have been arrived at independently from those of any other bidders; (b) the prices in their Bid have not been knowingly disclosed by the Bidder, and will not knowingly be disclosed by the Bidder prior to award, directly or indirectly to any other bidder or competitor; and (c) no

attempt has been made, nor will be made, to induce any other person to submit, or not to submit a Bid, for the purpose of restricting competition.

A violation of this provision may violate the *Competition Act*; and if there is a violation, it may result in the imposition of serious fines and possibly imprisonment pursuant to that Act.

### **Public Statements**

Suppliers shall not publish, issue, or make any statements or news release, electronic or otherwise, concerning a Town procurement process or Contract without the express prior consent of the Town. For certainty, suppliers shall not make any public statements concerning theirs or any other Bid, the evaluation of the Bid, or the award of the Contract or cancellation of the RFP or in relation to activities under any Contract.

Suppliers to the Town are strictly prohibited from making any public statements relating to Town matters or decisions, engaging with the Town's constituents or councillors on Town matters, and taking a public position in relation to issues of municipal interest, without the Town's express prior written consent.

### **Lobbying**

Bidders must not engage in any form of political or other lobbying whatsoever with respect to a procurement process or any contract, or otherwise attempt to influence the outcome of a procurement process directly or indirectly by any manner whatsoever other than by submitting a Bid.

### **C. CONSEQUENCES**

Breaches of this Supplier Code of Conduct are taken seriously. A failure to comply with this Supplier Code of Conduct may result in a supplier suspension from bidding on Town contracts or termination of a contract, in whole or in part and may include removal of the supplier from the Town's prequalified supplier list. The Supplier Code of Conduct is not to be read in lieu of but in addition to the supplier's obligations as set out in any contracts between the Town and the supplier. In the event of a conflict between the Supplier Code of Conduct and a Contract, the terms of the Contract shall govern.