

ACADEMIC COUNCIL REPORT

SESSION:Public **ACTION REQUESTED:**Decision
Discussion/Direction
Information Financial Impact Yes NoIncluded in Budget Yes No**TO:** Academic Council**DATE:** January 25, 2022**PRESENTED BY:** Brad Maclsaac, Vice-President Administration**SUBJECT:** Procurement Procedures/Policy

ACADEMIC COUNCIL MANDATE:

In accordance with Article 1.3(b) of By-law No. 2, the Academic Council will be consulted on the establishment of Legal, Compliance and Governance Policies, as reflected in the university's Policy Framework.

Finance presents the attached Procurement Procedures to Academic Council (AC) for consultation.

BACKGROUND/CONTEXT & RATIONALE:

- The existing procurement procedure was approved in 2012, with various amendments over time
- In 2019 Finance undertook a data analytics cycle of several key areas related to procurement. The results noted significant room for improvement, and also that relevant legislation (Broader Public Sector Procurement Directive) had evolved.
- A project to update the Procedures was commenced in 2020, using the results of the above analysis and also benchmarking with over 15 Universities of similar size or larger.
- Significant changes in the proposed Procedures include:
 - Clarification of the scope – to exclude a list of items that are by definition 'sole source',

- Increases to the purchasing dollar thresholds – both as to when quotes are to be obtained, and where necessary, the number of competitive quotes,
 - Clarification and increases to the dollar thresholds regarding the process for ‘waivers’ – i.e. when it is acceptable to not have competitive quotes,
 - Inclusion of legislative requirements regarding purchases subject to trade agreements, and
 - Updating the guidance regarding purchases of restricted and/or regulated items.
- The Policy will remain unchanged.

The goal for the updated Procedures is to maintain the highest standard for governance, while adding clarification to the users of this procedures to make the application simplified and more efficient. Of note the updated draft version of the procedure/policy was reviewed by the Ministry of Education as part of a recent audit. The MOE was satisfied with the overall proposed Procedures.

ALIGNMENT WITH MISSION, VISION, VALUES & STRATEGIC PLAN:

Up-to-date Procurement standards that comply with relevant legislation, demonstrate value-for-money processes, and are operable in a clear and efficient manner are clearly aligned with the Mission, Vision, Values and Strategic Plan.

CONSULTATION:

Extensive consultation was conducted throughout 2021. The procedures were reviewed by a cross-section of stakeholders (DPOs, department leaders) who provided input. The proposals were reviewed with the Policy Advisory Committee (June 23rd, 2021)

COMPLIANCE WITH POLICY/LEGISLATION:

These proposed Procedures comply with the Broader Public Sector Procurement Directives and the new Canadian Free Trade Agreement (CFTA) and new Comprehensive Economic Trade Agreement (CETA). The Canadian Free Trade Agreement (CFTA), a pan-Canadian trade agreement that replaced the Agreement on Internal Trade (AIT), and took effect on July 1, 2017. The Canada-European Union (EU) Comprehensive Economic and Trade Agreement (CETA) took effect on September 21, 2017. These trade agreements support the exchange of goods and services between Ontario and other countries and provinces.

NEXT STEPS:

- Online Consultation
- Academic Council (January 25, 2022)
- Administrative Leadership Team (February, 8 2022 - deliberation)
- Audit and Finance Committee (February 23, 2022 - approval)

MOTION FOR CONSIDERATION:

N/A

SUPPORTING REFERENCE MATERIALS:

- Procurement procedures



Classification	LCG 1131.01
Parent Policy	Procurement of Goods and Services Policy
Framework Category	Legal, Compliance and Governance
Approving Authority	Audit and Finance Committee
Policy Owner	Vice President Administration
Approval Date	DRAFT FOR REVIEW
Last Updated	<i>To be completed after approval</i>
Review Date	<i>To be completed after approval</i>
Supersedes	<i>To be completed after approval</i>

PROCUREMENT OF GOODS AND SERVICES – PROCEDURES

PURPOSE

1. The purpose of these Procedures is to complement the Procurement of Goods and Services Policy by serving to define and guide individuals in fulfilling their responsibilities and obligations throughout each phase of the procurement process. These procedures are consistent with the Broader Public Sector Procurement Directive, Supply Chain Code of Ethics, Canadian Free Trade Agreement, Canada-European Union Comprehensive Economic and Trade Agreement, and have been developed to ensure that all goods and services are acquired by the University through a process that is open, fair and transparent.

DEFINITIONS

2. For the purposes of these Procedures the following definitions apply:

“Accessibility” means the degree of ease that something (e.g. goods, service, facilities) can be used and enjoyed by persons with a disability. The term implies conscious planning, design and/or effort to ensure it is barrier-free to persons with a disability.

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“Accessible Procurement” means determining what is required for a product or service to be accessible, and either consulting with persons with disabilities, finding ways to procure something that meets those requirements or, documenting why this is not possible and what will be done if an accessible alternative is requested.

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“Contract” means any document, or other evidence, of an intention to establish a binding legal relationship between the University and one or more third parties.

“CFTA” means Canadian Free Trade Agreement.

“CETA” means Canadian European Trade Agreement.

“Goods” means moveable property, as well as the costs of installing, operating, maintaining or manufacturing such moveable property which are purchased, rented or leased by the University, including raw materials, products, equipment and other physical objects of every kind and description whether in solid, liquid, gaseous or electronic form, unless they are procured as part of a general construction contract. It includes capital items, such as furniture, research equipment,

telecommunications and computers, peripheral equipment and acquisitioned software where there is a one-time license fee and other items that have a useful life greater than one year.

Goods also include materials and equipment used for research purposes, such as controlled goods, animals, biohazardous, radioactive and other hazardous materials and equipment. The acquisition of these materials requires additional procurement procedures as outlined in Appendix B.

“Services” means any intangible product that does not have a physical presence. No transfer of possession or ownership takes place when services are sold, and they (1) cannot be stored or transported, (2) are instantly perishable, and (3) come into existence at the time they are bought and consumed. This includes construction related services.

“Consulting Services” is limited to the provision of expertise or strategic advice that is presented for consideration and decision-making. This does not include contractors who are performing work on a fee for service basis and who are NOT providing strategic/decision-making advice (e.g. police officers, specialists for disabilities, sign language interpreters, etc.). Consulting services are subject to different procurement practices than all other goods and services. A working list of common services procured by universities that would be deemed consulting services is provided in Appendix A.

“Limited Tendering” means a procurement method whereby the procuring entity contacts a supplier or suppliers of its choice.

“Procurement by Invitation” means the request of a bid, quote or proposal by the purchaser or Procurement Department.

“Purchase Order” means a written offer made by a purchaser to a vendor that formally sets out the terms and conditions of the proposed transaction.

“Purchaser” means the Ontario Tech Department that is initiating the purchase.

“Open Procurement” means a competitive procurement process open to all qualified and interested bidders.

“Requisition” means the process of initiating documentation for the applicable Means of Procurement.

“Regulated and Restricted Goods” means certain goods and services that require additional technical and/or regulatory approval or other review from a designated approving department to ensure they comply with internal university standards, licenses and regulatory requirements.

“Budgeting” means the process of determining whether there are sufficient funds available to commit the University to the purchase.

“Commitment” means the act of formally binding the University to a purchasing agreement.

“Receipt” means the physical receipt of the purchased goods or services by University personnel.

“Payment” means the processing of payment and transfer of funds from the University to the vendor, supplier or contractor.

SCOPE AND AUTHORITY

3. These Procedures apply to all purchases of Goods, Services or Consulting Services at the University.

4. These Procedures do not apply to payments related to employment or honoraria.
5. The Vice President Administration, or successor thereof, is the Policy Owner and is responsible for overseeing the implementation, administration and interpretation of these Procedures.

PROCEDURES

6. Procurement Principles

6.1. Segregation of Duties

The University requires that at least three of the following five functional procurement roles are segregated between different departments or, at a minimum, between different individuals:

- a) Requisition
- b) Budgeting
- c) Commitment
- d) Receipt
- e) Payment

6.2. Signing Authority and Approval

All Goods and Services purchased at the University must be approved at the outset by the appropriate authority signing authority. Requirements for procurement are determined by the type of Good or Service to be purchased, as well as the financial (pre-tax) threshold of the expenditure. If the amount of a purchase is amended or increased after the order has been authorized, the revised total expenditure (original amount plus increase) will be used to determine approval authority.

6.3. Types of Purchase

The procurement process to be followed is determined by the type of purchase to be made: (a) Goods and Services, or (b) Consulting Services.

7. Threshold Values and Means of Procurement

- 7.1.** The means by which goods and services are procured is determined by the total value of the item, before tax, in accordance with the chart below and as described in the subsequent sections of this procedure. The total cost will include the cost of associated warranties, maintenance and service agreements.

MEANS OF PROCUREMENT	REQUIREMENTS	THRESHOLDS
CONSULTING SERVICES		
Purchase Order	Three written quotations (by invitation)	\$0-\$99,999.99
Purchase Order	Open competitive process	\$100,000 or more

GOODS AND SERVICES		
Purchasing Card or approved invoice processed through Accounts Payable	Authorized cardholder and approval based on Signing Authority Registry	\$0 - \$9,999.99
Purchase Order	Two written quotations (by invitation)	\$10,000 - \$24,999.99
Purchase Order	Three written quotations (by invitation)	\$25,000 - \$99,999.99
Purchase Order	Open competitive process	\$100,000 or more

7.2. Any attempt to circumvent or otherwise manipulate the thresholds used to determine the means of procurement (e.g., dividing a single procurement into multiple procurements) is strictly prohibited, and will result in delay of the purchase as the individual undertaking the requisition will be required to obtain additional quotes.

7.3. Under special circumstances, Limited Tendering may be used to have the quotation requirement waived.

8. Competitive Procurement

8.1. All Goods and Services valued greater than \$10,000 will be procured by an invitational or open competitive procurement process. An open competitive procurement process may be used, regardless of value, due to the high-profile nature of the requirement, at the discretion of the Procurement Department, or where required by an external organization.

9. Open Competitive Procurement

9.1. All Goods and Services that are valued at greater than \$100,000 must be procured through an Open Procurement in order to solicit and evaluate bids in a fair, impartial manner prior to the issuing of a Purchase Order.

9.2. The Open Competitive Procurement process involves the following four stages:

- a) Development of a bid request;
- b) Posting and receipt of bid requests;
- c) Evaluation of bid requests; and
- d) Contract and award notification.

9.3. Detailed information and guidance regarding each of the above stages is included in Appendix C.

10. Purchase Orders

10.1. A Purchase Order must be used for all purchases of Consulting Services regardless of value, as well as Goods and Services, as required by the Threshold Values.

10.2. There are certain Goods and Services for which a Purchase Order may not be acceptable or appropriate. Such items may be procured through alternative means such as cheque requisitions, or expense reports.

10.3. Items exempt from a Purchase Order include the following:

- a) Customs
- b) Courier and freight charges
- c) Conference or seminar fees
- d) Course registration fees
- e) Debt payments, including interest payments
- f) Donations
- g) Elevator license fees
- h) Insurance premiums
- i) Inter-institutional expenses or transfers
- j) Investments and related fees
- k) Leasehold payments
- l) Membership fees
- m) Petty cash items
- n) Real property charges
- o) Recruitment agency fees
- p) Refunds
- q) Registry fees
- r) Sponsorship fees
- s) Subscription fees
- t) Support Allowance fees
- u) Taxes and charges
- v) Travel expenses
- w) Utilities
- x) Vehicle license fees
- y) Animal Care Veterinarian Services
- z) Patent Agents

11. Purchase Requisitions

11.1. A purchase requisition is a document used as part of the accounting process to initiate a merchandise or supply purchase. A purchase requisition identifies the business need for the Goods or Services and ensures appropriate controls are in place to monitor the legitimacy of a purchase.

11.2. All requisitions regardless of Purchase Order type must include:

- a) Valid Banner ID/Supplier Number
- b) Contact information of purchaser;
- c) Vendor contact information;
- d) Product or quote information including quote number, item description, catalogue or order number, quantity, pricing, and unit of measure, etc.;
- e) Date by which Goods and Services must be received;
- f) Account information (fund, org, account);
- g) Quotation, justification to validate the use of Limited Tendering;
- h) Where applicable any separate agreement and a note on restricted goods as outlined in Appendix B.

11.3. If the supplier does not have a valid Banner ID/supplier number, the individual initiating the transaction must complete the Supplier Setup Form. The Procurement Department will then check the validity of the Supplier through the Canadian Revenue Agency website and internet search before the Supplier record is established.

11.4. Purchase requisitions must be created and approved using the online Web Requisition portal and accompanied by the appropriate supporting documentation. There are requisitions for two types of Purchase Orders:

- a) **Regular Purchase Order:** Generally used for Goods and Services purchased at the time and paid for in a lump sum.
- b) **Blanket Purchase Order:** A blanket Purchase Order is an order of Goods and/or Services processed by the University with a supplier that contains multiple delivery dates scheduled over a fiscal year, sometimes at predetermined prices. It is normally used when there is a recurring need for Goods and/or Services. Accordingly, items are purchased under a single Purchase Order rather than processing a separate Purchase Order each time Goods and/or Services are needed.

12. Equipment Standards

12.1. Purchases of IT hardware, including laptops, tablets, workstations, monitors, printers and servers, with the exception of research hardware, must be selected from the list of standard hardware models and purchased or leased through a Purchase Order from the designated preferred vendor, as established by Information Technology Services (ITS).

13. Furniture

13.1. Requisitioners are asked to consult OCIS by phone or through a Service Desk request before purchasing office or classroom furniture to ensure that there is not existing inventory that would meet the requirements.

14. Lab Consumable Supplies and Minor Equipment

14.1. Before purchasing Lab Supplies & Equipment please contact centralstores@ontariotechu.ca

15. Lab Chemicals, and regulated and restricted goods

15.1. These items cannot be purchased using a purchasing card unless exempt by the appropriate signing authority. See Appendix B for more information regarding regulated and restricted goods.

- 15.2.** All lab chemicals, and regulated and restricted goods will be purchased using a Purchase Order or through an authorized individual to ensure compliance with applicable legislation and regulations, and University policy and procedures.
- 15.3.** All Purchase Order of lab chemicals, and regulated and restricted goods must be signed off by the appropriate signing authorities: Biosafety Officer, Radiation Safety Officer, designated official (controlled goods), Health and Safety Officer (designated substances), or Animal Care Coordinator in the Office of Research Services (animal care and use).
- 15.4.** When completing a purchase requisition for any of the Restricted Items Requiring a Purchase Order, the following information must be included in the comments section of the requisition form:
- a) Researcher/ Purchaser name;
 - b) Certificate/permit approval number as assigned by the relevant research compliance committee (Animal Care Committee, Biosafety Committee or Radiation Safety Committee);
 - c) Indicate if the material is biohazardous, radioactive, animals, controlled goods, hazardous. In rare circumstances, restricted items may be purchased using an alternative procurement method (e.g. purchasing card); however, prior approval must be sought from the Office of Research Services (Biosafety officer/Radiation Safety officer/Animal Care Coordinator).

16. Execution of Purchase Orders and Purchasing Agreements

- 16.1.** On receipt of an approved purchase requisition, the Procurement Department will execute a Purchase Order which includes terms and conditions prior to the provision of Goods and Services and communicate this to the Purchaser and vendor. Unless a Purchase Order is issued under a separate written purchasing agreement between the purchaser and the vendor, the Purchase Order and any attachments are the sole agreement between the parties.
- 16.2.** All purchasing agreements will include:
- a) Cancellation or termination clauses, as appropriate. When conducting complex procurements, the university may consider the use of contract clauses that permit cancellation or termination at critical project life-cycle stages.
 - b) The specific term of the agreement and any options to extend the agreement. Any change or amendment to the term of a purchasing agreement will be made in accordance with the Signing Authority Registry and Approval Procedures and requires review by the Procurement Manager.

17. Receipt of Goods

- 17.1.** All Goods are to be delivered to Shipping/Receiving, unless otherwise specified in the purchase requisition. Goods must be accompanied by a packing slip that indicates the Purchase Order number.
- 17.2.** Shipping/Receiving will contact the Purchaser to indicate arrival of the order. The Purchaser or designate is responsible for signing the packing slip to validate that the Goods received are in accordance with the Purchase Order.
- 17.3.** If Goods received are not in accordance with the Purchase Order, the Purchaser is responsible for following up with the vendor, in consultation with the Procurement Department.

18. Payment of Invoices

18.1. Payment through Accounts Payable would be through remitting the invoice, along with other required documentation (e.g. a cheque requisition), to Accounts Payable.

18.2. All invoices must be sent directly to Accounts Payable by the vendor. Invoices will be forwarded by Accounts Payable to the purchaser for approval prior to payment. All invoices for Goods submitted by the Purchaser for payment must be accompanied by a signed packing slip and sent to Accounts Payable.

19. Return of Goods

19.1. For any Good that needs to be replaced or returned, it is the responsibility of the Purchaser to contact the vendor and make the appropriate arrangements in consultation with the Procurement Department. Where the replacement or return requires a change to the terms of the original Purchase Order, the purchaser will contact the Procurement Department to initiate the change.

20. Trade Agreements

20.1. General

The University will ensure the provisions of both the CFTA and CETA are considered during procurement activities and throughout the competitive tendering process. Both trade agreements are similar; however, CFTA is triggered first since that treaty has far lower thresholds for publicly tendering.

20.2. CFTA

CFTA will apply for the procurement thresholds listed on <https://www.cfta-alec.ca/procurement/covered-procurement-thresholds/>

*Rates are in CDN currency and subject to inflation adjustment.

20.3. CETA

CETA will apply for the procurement thresholds listed on: <https://www.canada.ca/en/treasury-board-secretariat/services/policy-notice/contracting-policy-notice-2019-4-trade-agreements-thresholds-update.html>

* Amounts are in CDN currency and subject to inflation adjustment

20.4. Valuation

In estimating the value of a procurement for the purpose of ascertaining whether it is a covered procurement, a procuring entity will include the estimated maximum total value of the procurement over its entire duration, whether awarded to one or more suppliers, taking into account all forms of remuneration, including premiums, fees, commissions and interest; and if the procurement provides for the possibility of options, the total value of such options.

21. Limited Tendering

21.1. Limited Tendering represents a departure from the required number of quotes, as set out above, and must be accompanied by a waiver setting out the rationale for limited tendering. Limited tendering must be approved in advance of the purchase by the following:

- a) Purchases \$10,000 - \$25,000: the waiver must be approved by the Procurement Manager and Director of Financial Operations.
- b) Purchases over \$25,000 the waiver must be approved by the Procurement Manager and the Vice President Administration.

- c) Purchases of consulting services requires the waiver to be approved by the Procurement Manager, the Vice President Administration, and the President.

21.2. All such requests for using Limited Tendering must be approved in advance before the procurement process begins. If the Limited Tender is not approved in advance it runs the risk of not being approved and the vendor not being paid.

21.3. Requests for Limited Tendering

In order to obtain approval for Limited Tendering, the purchaser must make a formal request to the Procurement Department with a written explanation as to why it would be impracticable or otherwise inappropriate to put the Good or Service out for competitive procurement. Such requests should include specific requirements of the Good or Service, evidence that an objective market analysis has been undertaken and that the cost charged by the vendor is fair and reasonable. If the Good or Service is being purchased through a distributor of the manufacturer, a letter from the manufacturer should be obtained indicating a sole source distributor relationship exists between the parties.

21.4. Granting Use for Limited Tendering

The use of Limited Tendering may be granted in the following special, limited circumstances:

- a) If no tenders were submitted or no suppliers requested participation or if no tenders conformed to the essential requirements of the tender documentation or no suppliers satisfied the conditions for participation or if the submitted tenders were collusive (provided that the requirements of the tender documentation are not substantially modified);
- b) 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; or
- viii. the procurement is for subscriptions to newspapers, magazines, or other periodicals;
- c) 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 procuring entity;

- d) If strictly necessary, and for reasons of urgency brought about by events unforeseeable by the University, the goods or services could not be obtained in time using open tendering;
- e) For goods purchased on a commodity market;
- f) If a procuring entity procures a prototype or a first good or service that is developed in the course of, and for, a particular contract for research, experiment, study, or original development. Original development of a first good or service may include limited production or supply in order to incorporate the results of field testing and to demonstrate that the good or service is suitable for production or supply in quantity to acceptable quality standards, but does not include quantity production or supply to establish commercial viability or to recover research and development costs;
- g) 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) If a contract is awarded to a winner of a design contest provided that: (i) the contest has been organized in a manner that is consistent with the principles of Chapter 5 of CFTA, in particular relating to the publication of a tender notice; and (ii) the participants are judged by an independent jury with a view to a design contract being awarded to a winner;
- i) If goods or consulting services regarding matters of a confidential or privileged nature are to be purchased and the disclosure of those matters through an open tendering 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.

21.5. Preferred Vendors

Preferred vendors are established via a contract or agreement with the University following a competitive procurement process. Agreements for preferred vendors have set terms, conditions and/or pricing over a fixed period of time in order to maximize its ability to achieve the best economic value for its expenditures. A current list of preferred vendors is available through the Procurement Department.

21.6. Where the University has established such contracts or agreements, Goods and Services should be purchased against these contracts from these preferred vendors.

MONITORING AND REVIEW

22. These Procedures will be reviewed as necessary and at least every three years. The Procurement Manager, or successor thereof, is responsible to monitor and review these Procedures.

RELATED POLICIES AND PROCEDURES

23. Accessibility Policy

- ~~23.~~ Procurement of Goods and Services Policy
- Academic Staff Employment Policy
- Conflict of Interest in Research Policy
- Gift Acceptance Policy
- Designated Substance Permit
- Health and Safety Policy
- Radiation Safety Manual
- Biosafety Manual

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Policy on the Care and Use of Animals in Research and Teaching
Statement of Investment Policy and Procedures
Procedures for the Determination of Contractor Status
Risk Management Policy
Signing Authority Registry and Approval Procedures
Supply Chain Code of Ethics
Expenses Policy
Expenses Procedures
Safe Disclosure Policy
Safe Disclosure Procedures
Contract Management Policy
Legal Review of Contracts Procedures
Supply Chain Code of Ethics

APPENDIX A: NON-CONSULTING AND CONSULTING SERVICES

The following is a list of services that are commonly used by universities and that would be deemed to be “Services”, and not “Consulting Services” as defined in the Procurement Directive under the Broader Public Sector Financial Accountability Act (Bill 122).

1 - NON-CONSULTING SERVICES		
REVIEWS (predominantly subject matter experts)	Academic departmental/peer reviews Faculty/decanal review Division reviews Endowed chair reviews Dean initiated reviews Reviewers for chair selection processes Governance reviews Research/scientific reviews	Research/curriculum development/expertise Accreditation reviews Undergraduate and graduate program reviews Clinical program reviews/clinical trial reviews Thesis defense and reviews Independent review of a student’s evaluation Evaluation specialists or performance measurement specialists
SPEAKERS	Invited Facilitators for retreats (sometimes working on strategic plans) and workshops	Invited Speakers – for lectures, research seminars, endowed lecture series, continuing educational series programs, continuing professional development series
TRAINING	Training sessions	ITS course trainers
TECHNICAL SERVICES	Design and print agencies Program brochure design/printing/ mailing Annual report / newsletter design services/printing Technical writers, copy and writing editors or case writers – speech and article writers Business plan writing Consultants to write analytical summaries of specific government conferences Project management Business development Web design/maintenance Graphic services Videotaping and production for teaching support materials Photographers	Event planning or management services TSSA – Technical Safety Standards Association ESA – Electrical Safety Association BI&I – insurance company, that does inspections DJ services Couriers Sports game officials Translation services/transcription services English language training provided by Applied Language Associates Onsite ergonomists Implementation services for proprietary equipment (usually through an RFP) Security services Police officers ¹ Specialists for disabilities ¹

	AV support/recording of continuing education programs Audio support/equipment rental for convocation and outdoors	Sign language interpreters ¹ Musicians ¹
IT SERVICES	Scheduling system maintenance Cable installers Hosting services (servers and web) Design analysis for ITS hardware/software/facilities	Computer programmers hired to develop surveys/databases Service on equipment/software where service or warranty no longer applies
HR/STAFFING	Non-continuing non-employment remuneration (NCNER) compensation Retired faculty members paid through NCNERS Preceptor payments Psychologists HR counselling/coaching services Career advisors offering training, coaching and assistance with applications and career strategies for students Career transition consultants	Benefit provider -employee assistance program (family counselling) Benefit provider -mental health and addiction counselling Compensation and evaluation providers health, dental, insurance benefit plan administration services Mediators Investigators Recruitment specialists
FINANCIAL / MONEY MANAGEMENT	Moneris/PSigate Investment management services related to pension plans and endowments Custodial investment services related to pension plans and endowments Banking services Procurement and travel card providers Insurance brokerages	Actuarial services Contingency based auditors (for tax recovery) Consulting services related to pension plan and endowments in regards to investment managers and market trends Audit services related to the pension plan and endowments financial statements Auditing and accounting agencies
2 - SERVICES THAT CAN BE EITHER CONSULTING OR NON-CONSULTING SERVICES²		
BUSINESS PLANNING	Strategic planning consultant	Management services
FINANCIAL MANAGEMENT BASED	Consulting services related to pension plan communication and actuarial reporting	Consulting services related to health, dental, and insurance benefit plans and administrative services
LICENSED PROFESSIONAL SERVICES	Legal services related to pension plans and labour issues ³ Legal fees for consultation ³ Legal advice/services related to clinical care ³	

1. The Ministry of Finance has agreed these items are non-consulting services
2. Most of these services can be either consulting or non-consulting services. The differentiating factor is whether or not the service is "thinking" or strategic versus tactical in nature. Actual consulting services must be competitively bid regardless of value or signed off by President/Board of Governors.
3. Exempt under Canadian Free Trade Agreement (CFTA) therefore not required to be competitively bid but will require President or Board of Governors sign-off.

APPENDIX B: PURCHASES OF RESTRICTED ITEMS

1. In the interest of user and public safety, the purchase, use and disposal of restricted items is subject to provincial, federal and, in some cases, international legislation and regulations, in addition to University policy and procedures. *To ensure compliance with applicable legislation and regulations, and University policy and procedures, all restricted items will be purchased using a Purchase Order, and must be signed off by the appropriate signing officials: Biosafety Officer, Radiation Safety Officer, designated official (controlled goods), Health and Safety Officer (designated substances), or Animal Care Coordinator Office of Research Services (animal care and use).*
2. **Restricted Items Requiring a Purchase Order**
 - 2.1. **Controlled goods** as listed in the Controlled Goods List, a schedule to the Defence Production Act. This includes military, strategic, and military-related goods and technology, as well as dual-use goods and technology as identified in Group 2 (not all items), Item 5504 and Group 6 (all items), of the Export Control List. This also includes any US-origin good or technology that is a “defence article” as defined under the ITAR or non-US origin goods that is manufactured using “technical data” of United States origin, as defined under the ITAR if the “technical data” is a “defence article”.
 - 2.2. **Animals** used for research and/or teaching purposes as regulated by Canadian Council on Animal Care (CCAC) and OMAFRA Animals for Research Act.
 - 2.3. **Controlled substances or controlled drugs** used for research/teaching purposes as defined by Health Canada, Office of Controlled Substances (OCS) as any type of drug that the federal government has categorized as having a higher-than-average potential for abuse or addiction. Controlled substances are listed in Schedules I, II, III, IV and V of the Controlled Drugs and Substances Act (CDSA) of Canada and Part G (Controlled) and Part J (Restricted) of the Food and Drug Regulations, under the Food and Drugs Act of Canada. Controlled status applies to the drugs themselves, their salts and derivatives and to diagnostic or test kits containing these drugs.
 - 2.4. **Hazardous Materials**, as defined by the Ontario Occupational Health and Safety Act in its Workplace Hazardous Materials Information System (WHMIS) Regulation. These items must have WHMIS labels and be accompanied by a current Safety Data Sheet (SDS), and may also require transportation of dangerous goods (TDG) documentation.
 - 2.5. **Designated Substances** as defined by the Ministry of Labour I Regulation 833 – Control of Exposure to Biological or Chemical Agents.
 - 2.6. **Human Pathogens and Toxins and/or Biohazardous materials** used for research and/or teaching purposes, including possession, use, import and export of human pathogens and toxins as defined and regulated by the Public Health Agency Canada (PHAC) and the Canadian Food Inspection Agency (CFIA).
 - 2.7. **Radioactive material or devices containing radioactive material and/or producing nuclear radiation** as defined and regulated by the Canadian Nuclear Safety Commission (CNSC).

- 2.8. Devices emitting electromagnetic radiation, including microwaves, ultraviolet, x-ray and lasers (class 3b/4 lasers)** as regulated by the Ontario Occupational Health and Safety Act.

APPENDIX C: OPEN COMPETITIVE PROCUREMENT

DEVELOPMENT OF A BID REQUEST

1. Needs Identification

- 1.1. To ensure that the University obtains the most appropriate goods and/or services, the needs and objectives of the anticipated purchase, including ~~allay~~ ~~accessibility~~ Accessibility requirements, must be well defined and communicated to potential vendors through a bid request.
- 1.2. Bid requests are normally executed through a “Request for Proposal (RFP)”, which requests vendors to supply solutions for the delivery of complex products or services or to provide alternative options or solutions using predefined evaluation criteria in which price is not the only factor.
- 1.3. Where the 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) A “Request for Expressions of Interest (RFEI)” is a document used to gather information on supplier interest in an opportunity or information on supplier capabilities/qualifications and helps the organization to gain a better understanding of the capacity of the supplier community to provide the services or solutions needed.
 - b) A “Request for Information (RFI)” is a document issued to potential suppliers that sets out a general or preliminary description of a problem or need and requests information or advice about how to better define the problem or need, or alternative solutions.
- 1.4. 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.
- 1.5. The University may also gather information about supplier capabilities and qualifications through a Request for Supplier Qualification (RFSQ). This mechanism may be used either to identify qualified candidates in advance of expected future competitions or to narrow the field for an immediate need. The terms and conditions of the RFSQ document must contain language that disclaims any obligation of the University to call on any supplier to provide goods or services as a result of pre-qualification.
 - a) Allow suppliers to apply at any time for inclusion on the pre-qualify suppliers list.
 - b) Allow all qualified suppliers to participate in a particular procurement, unless the procuring entity states in the notice of intended procurement any limitation on the number of suppliers that will be permitted to tender and the criteria for selecting the limited number of suppliers.
 - c) If the University rejects a supplier's request for participation in a procurement or application for inclusion on the pre-qualify suppliers list, ceases to recognize

a supplier as qualified, or removes a supplier from a pre-qualify list, the University will promptly inform the supplier and, on request of the supplier, promptly provide the supplier with a written explanation of the reasons for its decision.

- 1.6. In developing bid requests, Accessible Procurement must be followed~~due consideration must be given to the accessibility needs and requirements of the University in relation to the procurement process of the good, or service or facility being procured.~~ Accessibility staff may be consulted to ensure a fair evaluation of ~~accessibility~~ Accessibility requirements. If it is determined that there are no ~~accessibility~~ Accessibility requirements to the goods, or services or facilities being procured or that the ~~accessibility~~ Accessibility requirements are deemed not to be practicable, this decision and its explanation must be documented by the Procurement Department. A copy of this explanation will be made available to a member of the public upon request.

2. Evaluation Criteria

- 2.1. The criteria that will be used to evaluate the monetary and non-monetary aspects of the anticipated purchase, and the relative weighting of each factor, must be developed and defined as part of the bid request process. The criteria will serve to facilitate the review of competing bids and ensure that the goods and/or services under consideration will meet the needs and objectives of the University.
- 2.2. The criteria to be used in evaluating potential vendors will include such monetary factors as price, quality, cost trends, lead-time, flexibility, technical capabilities and ~~accessibility~~ Accessibility requirements. In addition, potential vendors must also be:
 - a) Financially solvent and in good standing with the University;
 - b) In compliance with provincial, federal and international laws, regulations and trade agreements; and
 - c) In compliance with the technical requirements/deliverables of the tender document;
- 2.3. The methodology and process to be used in assessing the submissions must also be set out in advance, including the method of resolving a tie score. If the evaluation criteria is to be altered after the bid request is posted, an addendum must be made to the competitive procurement documents. Bid requests must also state that the addendum has been received, reviewed and will be complied with.
- 2.4. The University may request suppliers to provide alternative strategies or solutions as a part of their submission. Such alternative criteria must be established prior to posting of the bid request and cannot be considered unless they are explicitly requested in the competitive procurement documents.

3. Bid Requests

- 3.1. Documents pertaining to bid requests will be drafted by the Procurement manager, in consultation with the purchaser. All bid requests must clearly state:
 - a) The bid submission date and closing time. Suppliers must be given a minimum response time of 15 calendar days. Procurements that are high complexity,

high risk and/or procurements that meet CETA thresholds will be accorded a response time of at least 30 calendar days;

- b) The criteria, and weighting of the criteria, that will be used to evaluate submissions, along with the methodology to be used in assessing submissions;
- c) A statement that submissions that do not meet the minimum requirements and/or minimum technical evaluation score will be disqualified;
- d) The proposed term of the agreement and any options to extend the 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);
- e) The cancellation or termination clauses, as appropriate;
- f) The University's standard insurance clauses;
- g) A bid resolution clause.

- 3.2.** Bid request documents regardless of value must contain a form of agreement as defined by the Office of the University Secretariat and General Counsel Documents must be reviewed and approved by that office prior to their issuance. 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 University and the successful supplier must be defined formally 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 University and the supplier are unable to finalize the form of agreement, an interim purchase order or letter of intent may be used. The justification of such decision must be documented and approved by the appropriate authority.

4. Posting and Receipt of Bid Requests

- 4.1.** Communications with potential suppliers concerning the posting of bid requests, both invitational and open, and acceptance of responses will be carried out by the Procurement Department to ensure the integrity of the competitive procurement process. In addition, the following must be adhered to:
- a) The initial communication of any proposal must be communicated to all vendors at the same time;
 - b) All vendor responses must be due at the same time;
 - c) Any changes in due dates, requirements or information pertaining to the proposal or bid request must be communicated to all vendors at the same time and through the same method;
 - d) The bid proposal should be received in accordance with the bid documentation guidelines;
 - e) Any late proposals will not be accepted and will be returned to the supplier upon request;
 - f) All proposals and bid requests and responses and any subsequent feedback must be documented.

- 4.2. Calls for open competitive bid requests by the University will be posted by the Procurement Department on the electronic tendering system that is readily accessible by all Canadian and international suppliers (i.e. Biddingo). In addition, a selected or recommended group of suppliers may be invited to respond.

5. Evaluation of Bid Requests

- 5.1. An evaluation team must be established and framework developed to provide business, legal, technical, and financial input into the review and evaluation of bid proposals. All members of the evaluation team must be aware of the restrictions related to the use and distribution of confidential and commercially sensitive information collected through the competitive procurement process. They must also refrain from engaging in activities that may create or appear to create a conflict of interest and must sign a conflict-of-interest declaration and non-disclosure of confidential information agreement.
- 5.2. Each evaluation team member must complete an evaluation matrix based on multiple, pre-defined evaluation criteria to rate each of the submissions. Records of evaluation scores must be retained in accordance with the University's Records Classification and Retention Schedule. Evaluators must ensure that everything they say or write about submissions is fair, factual, and fully defensible.
- 5.3. All qualified suppliers will be evaluated according to the same criteria and process. The submission that receives the best ranking and meets all mandatory requirements set out in the competitive procurement document must be declared the winning bid. The University must not discriminate or exercise preferential treatment in awarding a contract to a supplier as a result of a competitive procurement process.
- 5.4. The basis for supplier selection will be the best value, which may not be the lowest bidder. Best value will be based on predetermined criteria such as (but not limited to); quality, service, added value, partnership initiatives, availability to meet delivery or service requirements, warranties, lesser ongoing operational costs, etc. The University reserves the right to conduct discussions with selected suppliers for the purpose of "purchase by negotiation" in certain circumstances such as (but not limited to): the lowest bid received substantially exceeds the estimated cost of the goods, limited or reduced project funding, change to scope unknown at time of bid request, etc.
- 5.5. Bids will not be opened publicly unless determined by the University that a public opening is deemed appropriate.

6. Contract Award Notification

- 6.1. For Open Procurement, once the agreement between the successful supplier and the University is executed, the Procurement Department will post a notification of the contract award on the electronic tendering system within 72 days after the award of the agreement between the successful supplier and the University, in the same manner as the procurement documents were posted, listing the name of the successful supplier.
- 6.2. All unsuccessful suppliers will be notified by the Procurement Department and will be informed of their entitlement to request a de-briefing within 60 calendar days.

- 6.3. Any disputes arising from the competitive procurement process, the methods employed or decisions made in the administration of a proposal, tender, or quotation must be dealt with in an ethical, fair, reasonable, and timely fashion.

7. Tender Dispute Resolution

- 7.1. Should a supplier wish to review the decision of the University in any respect of any material aspect of the tender process and subject to having a debriefing, the supplier will submit an appeal in writing to the Procurement Department within 10 days of such a debriefing. Any appeal in writing that is not received in a timely manner will not be considered and the supplier will be notified in writing. A protest in writing will include the following:
- a) A specific identification of the provision and/or procurement procedure that is alleged to have been breached;
 - b) A specific description of each act alleged to have been breached in the procurement process;
 - c) A precise statement of the relevant facts;
 - d) An identification of the issues to be resolved;
 - e) The supplier's arguments and supporting documentation; and
 - f) The supplier's requested remedy.
- 7.2. The manager, Procurement will respond, in writing, to the supplier within 10 days of receiving the tender protest. Should the supplier still not agree with the University's resolution, they can request a subsequent meeting with the CFO of the University. Should the supplier still not agree with the resolution they may bring the matter to the attention of an agreed upon mediator with no substantial interest in the outcome, to receive and consider the complaint and make appropriate findings and recommendations with respect to the complaint. Should both parties fail to agree on the identity of a mediator, or should mediation fail to bring about a resolution to the dispute, such dispute will then be transferred to a single arbitrator. The arbitrator will be appointed by agreement between the parties or, in default of agreement, such arbitrator will be appointed by a Judge of the Ontario Court of Justice (General Division) upon the application of any of the said parties.

8. Contract Management

- 8.1. The terms and conditions of any contractual agreement with vendors must be reviewed and approved by the manager of Procurement and the Director, Risk Management and Insurance and if the contract is facilities related, the director, Office of Campus Infrastructure and Sustainability. The University New Contract Control Form must be signed by the appropriate individuals listed on the form before sending the contract for final, formal senior level signature in accordance with the Signing Authority Registry.
- 8.2. 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.

- 8.3.** Assignments must be properly documented. Supplier performance must be managed and documented, and any performance issues must be addressed.
- 8.4.** To manage disputes with suppliers throughout the life of the contract, the University should include a dispute resolution process in their contracts.
- 8.5.** For Services, the University must:
 - a) 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.
 - b) Establish expense claim and reimbursement rules compliant with the Broader Public Sector Expenses Procedure and ensure all expenses are claimed and reimbursed in accordance with these rules.
 - c) Ensure that expenses are claimed and reimbursed only where the contract explicitly provides for reimbursement of expenses.