

	Broader Public Sector Governance and Accountability Directive Policies
	Procurement Directive Policy 400-3
Approval: Board of Directors	Implementation Date: June 1 2012
	Revision Date: September 2019

POLICY:

Meta will abide by the Broader Public Sector Procurement Directive issued by the Government of Ontario’s Management Board of Cabinet under the authority of the Broader Public Sector Accountability Act, 2010, (Section 12)

PURPOSE:

The purpose of this policy is to:

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

PRINCIPLES

The following are the five key principles that allow Meta to achieve value for money while following the Ministry Procurement Directives:

Accountability: Meta is held accountable for the results of our procurement decisions and the appropriateness of the processes.

Transparency: Meta will be transparent to stakeholders and wherever possible they will have equal access to information on procurement opportunities, processes and results. This is done by announcing open competitions on our website.

Value for Money: Meta will maximize the value it receives from the use of public funds. A value-for-money approach aims to deliver goods and services at the optimum total lifecycle cost.

Quality Service Delivery: Meta will ensure that front-line services provided by Meta staff, such

as teaching and client care, will receive the right product, at the right time, in the right place.

Process Standardization: Meta will ensure that standardized processes will remove inefficiencies and create a level playing field.

KEY DEFINITIONS:

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

Members of the Organization means all members of the Board of Directors, Senior Management, and employees of Meta or their equivalent.

Supply Chain Activities means all activities directly or indirectly related to Meta’s planning, sourcing, procurement, moving, and payment process.

Consultant means a person or entity that under an agreement, other than an employment agreement, provides expert or strategic advice and related services for consideration and decision-making.

Non-consulting Service Provider is an individual/company who contracts to provide services, other than consulting services to another individual or business. Examples may include “consultants” such as property services, other than consulting services to another individual or business. Examples may include “consultants” such as property brokers, head hunters or trainers.

Contract means an obligation, such as an accepted offer, between competent parties upon a legal consideration, to do or abstain from doing some act. It is essential to the creation of a contract that the parties intend that their agreement shall have legal consequences and be legally enforceable. The essential elements of a contract are an offer and an acceptance of that offer, the capacity of the parties to contract; consideration to support the contract; a mutual identity of consent or consensus ad idem; legality of purpose; and sufficient certainty of terms.

SUPPLY CHAIN CODE OF ETHICS (CODE):

Meta has formally adopted and will abide by the Supply Chain code of Ethics (Code) in accordance with its governance involved with the Supply Chain Activities in accordance with the Code.

This Code will be made available and visible to all Meta staff, as well as to all suppliers and other stakeholders involved with the Supply Chain Activities. This Code will be posted on Meta’s website.

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

Goal: Meta Centre will ensure an ethical, professional and accountable BPS Supply Chain.

I. Personal Integrity and Professionalism

All Meta Centre staff involved with the Supply Chain Activities will act, and be seen to act, with integrity and professionalism. Honesty, care and due diligence will be integral to all Supply Chain Activities within and between Meta Centre suppliers and other stakeholders. Respect will be demonstrated for each other and for the environment. Confidential information will be safeguarded. Participants will not engage in any activity that may create, or appear to create, a conflict of interest, such as accepting gifts or favours, providing preferential treatment, or publicly endorsing suppliers or products.

II. Accountability and Transparency

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

III. Compliance and Continuous Improvement

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

PROCESS FOR PROCUREMENT OF GOODS AND SERVICES

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

Meta has an Approval Authority Schedule (AAS) established for procurement of goods and services. This schedule identifies the authorities allowed to approve procurements for different dollar thresholds. The AAS has been approved by the Board of Directors.

Meta will conduct an open competitive procurement process where the estimated value of goods or services is \$100,000 or more. A competitive process will take place for consulting services irrespective of the value.

Approval Authority Schedule (AAS)

GOODS, NON CONSULTING SERVICES AND CONSTRUCTION		
Total Procurement Value	Means of Procurement	Approval Authority
\$0 to \$500	Petty cash/purchase order for supply request / P-card	Supervisor
\$500 to \$2500	Purchase order/P-card	Manager
\$2500 to \$25,000	Purchase order / P-card	Director of Operations
\$25,000 to under \$100,000	Purchase order / P-card / invitational competitive procurement process (minimum 3 suppliers are invited to submit a bid)	Senior management will follow procurement process but final decision is with the Executive Director
\$100,000 or more	Open competitive bid	Executive Director follows procurement process and makes recommendation to the Board of Directors who make the final decision
CONSULTING SERVICES		
Total Procurement Value	Means of Procurement	Approval Authority
\$0 up to but not including \$100,000	Invitational or open competitive process	Executive Director
\$100,000 or more	Open competitive process	Board of Directors

SEGREGATION OF DUTIES

Meta must separate three of the five functional procurement roles: Requisition, Budgeting, Commitment, Receipt and Payment. Responsibilities for these roles must lie with different departments or personnel. Where it is not possible to segregate these roles, adequate compensating controls approved by an external auditor must be in place.

Meta will not reduce the overall value of procurement (e.g.: dividing a single procurement into multiple steps) in order to circumvent the approval requirements.

GOODS, NON CONSULTING SERVICES AND CONSTRUCTION					
Type and Value	Requisition	Budgeting	Commitment	Receipt	Payment
\$0 to \$500	All staff	Supervisor	Manager	Finance Clerk	Finance Director
\$500 to \$2500	Supervisor	Manager	Director of Operations	Finance Clerk	Finance Director
\$2500 to \$25,000	Director of Operations	Finance Director	Executive Director	Finance Clerk	Finance Director

\$25,00 up to \$100,000	Director of Operations	Finance Director	Executive Director	Finance Clerk	Finance Director
\$100,000 or more	Executive Director follows competitive procurement process	Finance Director	Board of Directors	Finance Clerk	Finance Director
CONSULTING SERVICES					
Type and Value	Requisition	Budgeting	Commitment	Receipt	Payment
\$0 up to but not including \$100,000	Supervisor/ Manager / Director / Executive Director	Finance Director	Executive Director	Finance Clerk	Finance Director
\$100,000 or more	Executive Director follows competitive procurement process	Finance Director	Board of Directors	Finance Clerk	Finance Director

Information Gathering

Where results of informal suppliers or product research are insufficient, Meta can request information or an expression of interest with regards to purchasing goods.

A response to either of these requests will not be used to pre-qualify a potential supplier.

When Meta obtains the name of a supplier from the Ministry Vendors on Record (VOR) it will be assumed that the processes of obtaining supplier information have been done by the Ministry and absolves Meta from researching the supplier.

Supplier Pre-Qualification

Meta will gather information about suppliers’ capabilities and qualifications using a Request for Supplier Qualification template (RSO) in order to pre-qualify suppliers for an immediate produce need or in advance of future competitions.

When Meta obtains a supplier from the Ministry VOR it will assume that they pre-qualify and not fill out an RSO.

PROCESS FOR COMPETITIVE PROCUREMENT

Meta will conduct the competitive procurement activities according to the laws of Ontario,

including contract law, the law of competitive processes, privacy legislation, accessibility legislation and any other legislation as may be applicable.

Posting and Timelines for Competitive Procurements

Any competition that is required under \$100,000 will be posted on Meta website. Anything above \$100,000 will also be posted in the local newspaper.

Suppliers shall be given up to 15 calendar days to respond. In cases where the procurement is of a high complexity, risk and or over \$100,000 the time limit will be extended up to 30 days.

Bid submission date and closing time will be clearly stated in the competitive process. Closing date will be on a normal working day (Monday to Friday). Any submission delivered after closing time will be returned unopened.

Evaluation Criteria

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

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

The maximum justifiable weighting will be allocated to the price/cost component.

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

The Evaluation Team

The evaluation team for competitive bids up to \$100,000 will be senior management. For bids over \$100,000 it will be the Executive Director and the Board of Directors that will evaluate. Team members must be aware of the confidentiality of this process and will not engage in activities that will create or appear to create a conflict of interest. Team members must sign a non disclosure of confidential information agreement as well as a conflict of interest declaration.

A team member cannot participate in the evaluation process if a supplier is a family member or a personal friend or if they profit or are seen to profit from the purchasing of the goods or service. They must declare a conflict of interest and must withdraw from the evaluation team during the evaluation that puts them in conflict.

Each team member will complete an evaluation form, rating each of the submissions. These

must be kept for audit purposes. What is written must be fair, factual and fully defensible.

The Winning Bid

The submission that receives the highest evaluation score and meets all mandatory requirements must be declared the winning bid. For procurements over \$100,000 Meta will post, in the same manner as the procurement documents were posted, contract award notification. The notification will be posted after the agreement between the successful supplier and Meta is executed. Contract award notification will list the name of the successful supplier, agreement start and end dates, and any extension options.

For competitions for procurement over \$100,000 Meta will notify unsuccessful candidates about their entitlement to a debriefing and will allow 60 days for an unsuccessful candidate to determine if they wish a debriefing.

Non Discrimination

Meta will not discriminate or exercise preferential treatment and will follow the competitive procurement process.

Contract Management

Procurements and the resulting contracts will be managed responsibly and effectively.

Payments must be made in accordance with provisions of the contract. All invoices must contain detailed information sufficient to warrant payment. Any overpayments must be recovered in a timely manner.

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

Procurement Records Retention

For reporting and auditing purposes, all procurement documentation, as well as any other pertinent information must be retained in a recoverable form for a period of seven years.

CONTRACTS AND CONSULTANT AGREEMENT GUIDELINES

All contracts over \$100,000 and all consultant agreements of any dollar value must be preceded by, and result from, a Request for Proposal (RFP) and a minimum of 3 bid quote. All contracts and consultant agreements must be consistent with Meta's Mission, Vision, and Values, conform to the Conflict of Interest Policy, and conform to all other applicable Meta policies.

Levels

- (a) All contracts entered into by Meta that exceed \$5,000, but under \$100,000 and/or binds Meta for more than one year, but less than 5 years, must be reviewed by the Finance Director and approved by the Executive Director and a Board member.

- (b) All contracts entered into by Meta that exceed \$100,000 and or binds Meta for more than 5 years must be reviewed by the Finance Director and Executive Director and approved by the Board of Directors.
- (c) It is the responsibility of the individual with the signing authority involved in the purchase and reimbursement of goods and services to ensure compliance with this policy and procedure. The Finance Department is responsible for verifying that the amount requested is supported by the attached documents and that the signature is by the appropriate signing authority.
- (d) The Supervisor, Manager or Director of the department making the purchase approves the requisition. Only individuals with the appropriate level of authority are able to approve the cheque requisition.

Signing of Contracts

The Executive Director or designate (approved by Board of Directors) will sign each contract. Each contract will be witnessed and dated and may be embossed with the corporate seal.

Location of Contracts

An original signed copy of all contracts that bind Meta must be provided to the Finance Director located at Meta's head office for filing and monitoring.

Purchase of Service Contracts

Definition:

Purchase of Service Contract is a written agreement between Meta and an individual or organization in which specific services are to be provided.

The following shall apply to all contracts signed by Meta:

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

Responsibility

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

- (a) contracts are entered into when there is an advantage to the agency by doing so
- (b) a full range of potential arrangements is investigated before entering into an exclusive contract.
- (c) Legal assistance or advice is obtained, if necessary, for any non-standard clauses.
- (d) All contracts entered into by the agency are reviewed and approved by the Executive Director or designate. Only individuals with the appropriate level of authority can approve and sign a contract.

- (e) As a best practise, contractors must provide proof of liability insurance and WSIB coverage, where appropriate.
- (f) Meta ensures that a completed copy of the final signed and embossed contract is made available to all signatories.
- (g) All Purchase of Service Contracts must meet the agency`s conflict of interest guidelines.
- (h) At least 3 months prior to the completion of the contract, the Executive Director or designate reviews and plans for the renewal or tendering of the contract (as necessary).

Content of Contract:

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

- (a) name of the service
- (b) anticipated outcomes
- (c) reporting requirements
- (d) financial obligation
- (e) period of time covered by contract (no contract can be established in perpetuity) and any options to extend the agreement
- (f) invoicing procedures and payment schedule
- (g) termination and escape clause
- (h) dispute resolution process
- (i) table of content regarding negotiated work plan
- (j) name of Meta staff who have been given the authority to act on Meta`s behalf in relation to the services provided and the service provider
- (k) description of monitoring process
- (l) confidentiality agreement
- (m) warranty for completed services meeting the quality standards specified
- (n) allowable expenses as per Meta`s Perquisites policy and Expenses Policy

Information required for proper payment authorization

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

- (a) **Date** – date of request
- (b) **Completed by** – name of person completing the form (if a cheque requisition)
- (c) **Payable to** – name and complete address of payee
- (d) **Description** – reason for payment cross-referenced to supporting details or documents and attached to the requisition
- (e) **Coding section** – the account code or codes to be debited and the corresponding amounts with taxes (GST and PST) identified separately.
- (f) **Amount** – total amount of cheque to be issued
- (g) **Approved by** – authorized signature on purchase order
- (h) **Special delivery instructions** – if the cheque is not to be directly routed to the payee then the appropriate routing instructions need to be reported
- (i) **Date required** – record the date that the cheque is required, if different from regular cheque issuing schedule

For reporting and auditing purposes, all competitive procurement documentation and all relevant information pertaining to the procurement must be retained in a recoverable form for seven years.

CONFLICT OF INTEREST

Any conflict of interest that may arise as a result of Meta staff, advisors, external consultants or service providers` involvement with the Supply Chain Activities will be monitored. Individuals involved with the Supply Chain Activities and anyone aware of a conflict of interest must disclose the actual or potential conflict and where possible proceed to withdraw from any activity that causes the conflict. Where a conflict of interest arises, it must be evaluated and an appropriate mitigating action must be taken.

EVALUATION:

This policy will be evaluated and reviewed annually by Meta Board of Directors.

REFERENCES

http://www.fin.gov.on.ca/BPSsupplychain/documents/bps_directive.html