

PURPOSE:

To provide purchasing guidelines/instructions for the efficient and cost effective acquisition of all goods and/or services on behalf of the Board, taking into consideration the "Total Acquisition Cost" method of procurement (i.e. consideration of all costs, including acquisition, installation, removal, operating and disposal costs) rather than basing a decision to purchase solely on the lowest bid price received.

Note: This operating procedure recognizes that fair and open competition is a basic tenet of public purchasing and this is accomplished using a variety of procurement and source selection methods under varying market conditions. Further, to encourage open competitive bidding and promote the most cost effective use of Board funds leads to the Board receiving optimum quality, price, delivery and performance of required goods and/or services.

SCOPE:

Any employee of the Peel District School Board who has the authority to purchase goods and/or services on behalf of the Board.

1. CODE OF ETHICS

(A) Personal Integrity and Professionalism

All individuals involved with purchasing or other supply chain-related activities must act, and be seen to act, with integrity and professionalism. Honesty, care and due diligence must be integral to all supply chain activities within and between Broader Public Sector (BPS) organizations, suppliers and other stakeholders. Respect must be demonstrated for each other and for the environment. Confidential information must be safeguarded. All participants must 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.

(B) Accountability and Transparency

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

(C) Compliance and Continuous Improvement

All individuals involved in purchasing or other supply chain-related activities must comply with this Code of Ethics, the Board's Conflict of Interest Policy (#8) and the laws of Canada and Ontario. All individuals should continuously work to improve supply chain policies and procedures, to improve their supply chain knowledge and skill levels, and to share leading practices.

2.1 HOW TO ORDER WITHIN DOLLAR THRESHOLDS (ACQUISITION PROCESS) – Applies to all departments except Maintenance Services. For Maintenance Services see 3.1.

The following represent the approved dollar thresholds assigned for individual purchases (excluding all applicable taxes). Board employees are prohibited from making separate, sequential or component purchases to avoid competitive bidding requirements. Refer to these threshold limits to determine the correct ordering process to follow when making goods and/or services purchase(s).

- (A) Less than \$200.00
- (B) More than \$200.00 and less than \$4,000.00;
- (C) More than \$4,000.00 and less than \$25,000.00;
- (D) More than \$25,000.00 and less than \$100,000.00;
- (E) More than \$100,000.00.

2.2 DOLLAR THRESHOLDS, INCLUDING RESPONSIBILITIES OF THE PERSON DOING THE ORDERING AND THE PURCHASING DEPARTMENT – Applies to all schools, offices and departments except Maintenance Services. For Maintenance Services see 3.2.

The Peel District School Board requires competitive bidding for Board purchases exceeding \$4,000.00, with very few exceptions.

NOTE: All purchases not exceeding the \$4,000.00 limit (excluding all applicable taxes) where the Board is under contract for tendered products and/or services, the purchase must be made from the [tendered vendor listed in the Purchasing Portal – Goods and Services section, Purchasing Department of the Corporate Support Services webpage on the Board's intranet site.](#)

- (A) **\$0 to \$200.00** per transaction (before applicable taxes)

Responsibility of Person Doing the Ordering

- Contact vendor
- Place order
- Payment methods: petty cash, purchasing card in accordance with [Finance Support Services Operating Procedure 20](#), or create an invoice entry and once approved send to Accounts Payable for payment

IMPORTANT: For purchases less than \$200.00 no purchase order will be issued.

- (B) **\$200.00 to \$4,000.00** per transaction (before all applicable taxes)

Responsibility of Person Doing the Ordering

- Contact vendor
- Place order
- Payment methods: purchasing card in accordance with Finance Support Services Operating Procedure # 20, create an invoice entry and once approved send to Accounts Payable for payment, or create an electronic requisition. If applicable, receive the WSIB (Workers Safety Insurance Board) and insurance certificates from the vendor.

Purchasing Department Responsibility

For this dollar threshold the Purchasing Department's involvement is not required, unless the person doing the ordering requires Purchasing to issue a purchase order. Purchase requisition to be submitted electronically by the person doing the ordering.

(C) **\$4,000.00 to \$25,000.00** per transaction (before all applicable taxes)

Responsibility of Person Doing Ordering

Issue requisition electronically to the Purchasing Department including complete specifications of requested goods and/or services.

Purchasing Department Responsibility

Buyer responsible for acquisition will request, where possible, a minimum of three 3 INFORMAL verbal, fax, email or telephone quotations .A purchase order will be issued to the lowest acceptable bidder. If applicable, receive the WSIB (Workers Safety Insurance Board) and insurance certificates from the successful bidder.

(D) **\$25,000.00 to \$100,000.00** per transaction (before all applicable taxes)

Responsibility of Person Doing Ordering

Issue requisition electronically to the Purchasing Department and, if applicable, submit complete specifications and/or drawings (under separate cover) to the Buyer responsible for the goods and/or services requested.

Purchasing Department Responsibility

Buyer responsible for acquisition will request, where possible, a minimum of three 3 FORMAL written bids. A recommendation of award for the successful bidder will be prepared and signed off by the Buyer and presented to the person requesting the goods and/or services for approval. Once approved by the requestor, the recommendation must be approved by their Superintendent/Controller and finally the Purchasing Manager. When all approvals and signatures have been obtained, the Buyer will issue a purchase order to the successful bidder. If applicable, the buyer will receive the WSIB (Workers Safety Insurance Board) and insurance certificates from the successful bidder.

(E) **Over \$100,000.00** per transaction (before all applicable taxes)

Responsibility of Person Doing Ordering

Issue requisition electronically to the Purchasing Department and, if applicable, submit complete specifications and/or drawings (under separate cover) to the Buyer responsible for the goods and/or services requested.

Purchasing Department Responsibility

Buyer responsible for acquisition will issue a formal bid document and shall receive, where possible, a minimum of three (3) bids. Further, except in the case where suppliers have been pre-qualified, the buyer will ensure that the bid document is posted (advertised) on the Board's Purchasing website via link to Biddingo.com; and on the Biddingo website in order to inform the marketplace of the bidding opportunity. Prospective bidders will be given a minimum of 15 calendar days to respond to the bid. Analysis of the submissions will be conducted by an Evaluation Team. A recommendation of award for the successful bidder will be prepared by the Buyer and signed by the Purchasing Manager and then presented for approval to the person or user group requesting the goods and/or services. In addition to the requestor, the recommendation must also be approved by the manager or designate, the superintendent/controller or designate and the associate director or designate. Once all approvals and signatures have been obtained, the user group will issue an electronic requisition and the Buyer will issue a purchase order to the successful vendor. If applicable, the buyer will

receive the WSIB (Workers Safety Insurance Board) and insurance certificates from the successful bidder.

- (F) Note: New school construction tenders are approved by the Board.

3.1 Maintenance Services Department Only - HOW TO ORDER WITHIN DOLLAR THRESHOLDS (ACQUISITION PROCESS)

The following represent the approved dollar thresholds assigned for individual purchases (excluding all applicable taxes). Maintenance Services employees are prohibited from making separate, sequential or component purchases to avoid competitive bidding requirements. Refer to these threshold limits to determine the correct ordering process to follow when making goods and/or services purchase(s).

- (A) Less than \$500.00
- (B) More than \$500.00 less than \$5,000.00
- (C) More than \$5,000.00 and less than \$25,000.00
- (D) More than \$25,000.00 and less than \$100,000.00
- (E) More than \$100,000.00

RESPONSIBILITIES:

Where there is no bid award in place the Board requires competitive bidding for all purchases exceeding \$5,000.00. Exceptions to competitive bidding are as noted in section 7 of this document.

Where there is a bid award in place, Maintenance Services is to ensure that the awarded rates for goods and/or services are utilized and these rates are indicated on all quotes and invoices. If a set value limit for goods and/or services is noted in the awarded bid document then Maintenance Services must ensure that any purchase in excess of the identified value limit is competitively bid.

3.2 Maintenance Services Department only - DOLLAR THRESHOLDS, INCLUDING RESPONSIBILITIES OF THE PERSON DOING THE ORDERING AND THE PURCHASING DEPARTMENT

- (A) **\$0 to \$500.00** per transaction (before all applicable taxes)

Responsibility of Person Doing the Ordering

- Contact vendor
- Place order
- Payment methods: petty cash, purchasing card in accordance with [Finance Support Services Operating Procedure 20](#), or create an invoice entry and once approved send to Accounts Payable for payment

IMPORTANT: For purchases less than \$500.00 no purchase order will be issued.

- (B) **\$500.00 to \$5,000.00** per transaction (before applicable taxes)

Maintenance Services Department Responsibility

- Contact Vendor
- Place Order

- Payment methods: petty cash, purchasing card in accordance with [Finance and Administration Operating Procedure 20](#), or create an invoice entry and once approved send to Accounts Payable for payment

An electronic requisition may also be initiated for the creation of a purchase order. Note: Within this dollar threshold it is Maintenance Services responsibility to receive the WSIB (Workers Safety Insurance Board) and insurance certificates from the successful vendor and ensure that they are retained in a safe place by the Maintenance Services Supervisor responsible for the purchase.

NOTE: All purchases not exceeding the \$5,000.00 limit (excluding all applicable taxes) (i.e. categories A & B above) may be made using the methodologies explained, however, for the purchase of Tendered products and/or services where the Board is under contract the required products and/or services must be purchased from the contracted vendors. For a listing of all tendered products and/or services staff are directed to the [Purchasing site on the Board's intranet which contains all relevant catalogues and lists](#).

(C) **\$5,000.00 to \$25,000.00** per transaction (before applicable taxes)

Maintenance Services Department Responsibility

Where there is no bid award in place, request a minimum of three (3) INFORMAL written bids (where possible) from reliable vendors and submit them, along with the successful bidder's WSIB clearance certificate and insurance certificate (if applicable) to the responsible Buyer. At the same time Maintenance Services will send an electronic purchase requisition to the responsible Buyer so that the requisition and the above noted documents can be joined together prior to the issuance of the purchase order.

IMPORTANT NOTE: Under this dollar threshold, where three (3) INFORMAL bids have been received and the lowest acceptable bid received is in excess of \$25,000.00 (before applicable taxes) no award or commitment to any participating vendor will be made by Maintenance Services. Maintenance Services will immediately contact the responsible Buyer for further direction.

Where it is not possible to receive a minimum of three (3) INFORMAL written bids then a memo of justification indicating the reason(s) why three (3) bids could not be obtained (e.g. sole source, etc.) will be submitted by Maintenance Services along with the WSIB and insurance certificate, where applicable, of the successful vendor to the respective Buyer. The justification report must be signed by the user department Supervisor, the Manager of Maintenance Services, the Controller of Facilities and Environmental Support Services, the Buyer and the Purchasing Manager. Again, an electronic purchase requisition will be sent at the same time as the justification report.

Purchasing Department Responsibility

The Buyer will review the quotations and/or justification memo along with the WSIB and Insurance certificates and if in order will issue a purchase order and attach all documents to the file copy of the purchase order.

(D) **\$25,000.00 to \$100,000.00** per transaction (before applicable taxes)

Maintenance Services Department Responsibility

Where there is no bid award in place, issue a bid initiation form, complete specifications of requested goods and/or services, including drawings where applicable, to the responsible Buyer.

Purchasing Department Responsibility

Buyer responsible for acquisition will request a minimum of three (3) FORMAL quotations (where possible) along with the WSIB and Insurance Certificates. An analysis report will be prepared by the Buyer indicating the results of the quotation with a recommendation of award. The report will be sent to Maintenance Services for approval and must be signed off by the Maintenance Services user department Supervisor, Manager of Maintenance Services, Controller of Facilities and Environmental Support Services. Once approved, Maintenance Services will enter an electronic requisition for the goods and/or services requested on the quotation and indicate the quotation number.

(E) **Over \$100,000.00** per transaction (before applicable taxes)

Maintenance Services Department Responsibility

Where there is no bid award in place, issue a bid initiation form, complete specifications of requested goods and/or services including drawings where applicable, to the responsible Buyer.

Purchasing Dept. Responsibility

Buyer responsible for acquisition will issue a FORMAL Bid Document and shall receive (where possible) a minimum of three (3) bids. Further, in all instances, other than pre-qualification or Executive Decision, the Buyer will ensure that the Bid document is posted (advertised) on the Board's Purchasing website via a link to Biddingo.com; and the Biddingo website in order to inform the marketplace of the bidding opportunity. Prospective bidders will be given a minimum of 15 calendar days to respond to the Bid document. Once the Bid document call has closed the Buyer, in consultation with the respective user department Supervisor and the Administrative Services Manager will prepare an analysis report indicating the results of the Bid document and present the award recommendation for signature approval to the user department Supervisor, the Manager of Maintenance Services, the Controller of Facilities and Environmental Support Services, and the Associate Director of Operational Support Services. Once approved, Maintenance Services will enter an electronic requisition for the goods and/or services requested on the Bid document. The approved report must be returned to the Buyer who will issue a purchase order to the successful vendor.

4. CONSULTING SERVICES

For procurement of consulting services, the following thresholds and processes apply:

Value of Consulting Services	Procurement Process
\$0 - \$25,000	Minimum 3 informal quotes requested as detailed in section 2.2 (C) of this operating procedure
\$25,000 - \$100,000	Minimum 3 formal written quotes requested as detailed in section 2.2 (D) of this operating procedure
Greater than \$100,000	Public Bid documents as detailed in section 2.2 (E) of this operating procedure

In the case of a non-competitive procurement of consulting services, the procurement must be approved as follows:

- \$0 up to but not including \$1,000,000 must be approved by the Director of the Board
- \$1,000,000 must be approved by the Board of Trustees

5. BID ADVERTISING

All bid opportunities in excess of \$100,000.00 are electronically advertised on Biddingo.com with the exception of bid opportunities which are offered by invitation to vendors selected by a formal prequalification process. The bids shall be advertised for a period of 15 calendar days. In the case of a procurement of high complexity, the bids will be advertised for 30 calendar days. The closing date for bids will be set on a normal working day (Monday to Friday, excluding provincial and national holidays).

It is the sole responsibility of each potential vendor, past or present, to monitor the websites noted above on a regular basis in order to be aware of business opportunities presented by the Peel District School Board. The Board is not responsible for any potential vendor, past or present, not being aware of any or all business opportunities presented by the Peel District School Board.

6. BID REQUESTS VALUED AT \$100,000.00 OR MORE

The following regulations apply:

- The evaluation criteria must be developed, reviewed and approved before the bid is issued.
- The bid documents must identify those criteria that are considered mandatory and any technical standards that need to be met.
- The bid documents must fully disclose the evaluation methodology and process to be used in assessing a supplier's submission. This includes the weighting of the criteria and the short listing process, where applicable.
- Analysis of the bid submissions will be conducted by an Evaluation Team. The Evaluation Team will be chaired by the Buyer and at a minimum will include the person requesting the goods and/or services. Evaluation Team members must sign a conflict-of-interest declaration and non-disclosure agreement.
- Analysis of the bid submissions will be done using the evaluation criteria established in the bid document. The award will be in accordance with the predetermined evaluation criteria outlined in the bid documents. In the event of a tie, the successful bidder will be determined by a mutually agreeable methodology between all tied bidders, e.g. formal separate negotiations with each bidder or coin toss.
- Contract award notification will be posted on Biddingo.com detailing the name of the successful supplier, the agreement start and end dates complete with extension options.
- The agreement between the Board and the successful supplier must be formally defined in a signed written contract before the provision of supplying goods or services commences. The form of agreement (s) will be released with the procurement documents and will be the basis to form the contract.
- In the event an alternative procurement strategy is used (i.e. a form of agreement was not released with the procurement document), the agreement between the Board and successful supplier will be defined formally in a signed written contract before the provision of supplying goods or services.

7. NON-COMPETITIVE PROCUREMENT

Prior to commencement, any non-competitive procurement of goods or services must be approved by an authority one level higher than the approval authority established for competitive procurement in sections 2 and 3 of this procedure.

(A) EMERGENCY PURCHASING

An "Emergency" means a situation where the immediate purchase of goods and/or services is essential to prevent serious delays, further damage or restore minimum service(s).

When any "Emergency" purchase has been made the Superintendent/Controller/Principal shall submit a report to the Purchasing Manager explaining the action taken. The Purchasing Manager will submit a copy of the report to the Controller of Corporate Support Services and file the original report with the appropriate purchase order.

(B) PURCHASE BY NEGOTIATION/SINGLE/SOLE SOURCING

In the judgment of the Purchasing Manager, whenever any of the following conditions apply, the Purchasing Department may adopt purchase by negotiation, single or sole sourcing:

- When due to market conditions goods are in short supply.
- Purchase of type of goods and/or services for which there is no reasonable substitute or competitive product.
- Purchase of a component or replacement part for which there is no substitute (i.e. sole source).
- To ensure compatibility with an existing product, to recognize exclusive rights, such as exclusive licenses, copyrights and patent rights, or to maintain specialized products that must be maintained by the manufacturer or its representative (sole source).
- Purchase of an item in accordance with standards adopted by the Director of Education or the Board of Trustees.
- Other situations specifically authorized by the Director of Education.
- Where two or more identical bids have been received.
- Where the Board has been previously unsuccessful in breaking two or more identical bids and the same goods and/or services are again required.
- Where the lowest bid meeting specifications and terms and conditions of the bid documents substantially exceeds the estimated cost of the goods and/or services being requested.
- When all bids received fail to comply with the specifications or bid documents terms and conditions and it is impractical to cancel and re-issue.
- When the extension or reinstatement of an existing contract would prove more cost effective or beneficial to the Board and is authorized by the Director of Education.
- Where the goods and/or services are deemed an emergency by the respective Superintendent/Controller/Principal and the lack of time does not permit the use of any other prescribed procurement process.

- When only one bid is received through the tendering system.
- Purchase of accommodation including meeting rooms and set up.
- Purchase of books.
- Fees to conferences, conventions, courses, workshops and seminars.
- Purchase of memberships in professional associations.
- Purchase of advertising and advocacy for Peel District School Board through various media types.

In accordance with the AIT (Agreement on Internal Trade) there are two main types of direct (non-competitive) awards single sourcing and sole sourcing.

SOLE SOURCING

Where only one supplier is able to meet the requirements of a procurement, Buyers may conduct non-competitive procurement in the circumstances listed below, provided that they do not do so for the purposes of avoiding competition between suppliers or in order to discriminate against suppliers.

- To ensure compatibility with existing products, to recognize exclusive rights, such as exclusive licences, copyright and patent rights, or to maintain specialized products that must be maintained by the manufacturer or its representative.
- Where there is an absence of competition for technical reasons and the goods or services can be supplied only by a particular supplier and no alternative or substitute exists.
- For the procurement of goods or services the supply of which is controlled by a supplier that is a statutory monopoly.
- For the purchase of goods on a commodity market.
- For work to be performed on or about a leased building or portions thereof that may be performed only by the leaser or its authorized work force.
- For work 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.
- For a contract to be awarded to the winner of a design contest.
- For the procurement of a prototype of a first good or service to be developed in the course of and for a particular contract for research, experiment, study or original development, but not for any subsequent purchases.
- For the purchase of goods under exceptionally advantageous circumstances such as bankruptcy or receivership, but not for routine purchases.
- For the procurement of original works of art.
- For the procurement of subscriptions to newspapers, magazines or other periodicals.
- For the procurement of real property.

SINGLE SOURCING

The use of a non-competitive procurement process to acquire goods, services or construction from a specific supplier even though there may be more than one supplier capable of delivering the same goods, services or construction. Buyers may conduct non-competitive procurement in the circumstances listed below, provided that they do not do so for the purpose of avoiding competition between suppliers or in order to discriminate against suppliers.

- Where an unforeseeable situation of urgency exists and the goods or services cannot be obtained in time by means of open procurement procedures; **NOTE:** Failure to plan and allow sufficient time for a competitive procurement process does not constitute an unforeseeable situation of urgency.
- Where 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, cause economic disruption or otherwise be contrary to the public interest.
- Where a contract is to be awarded under a cooperation agreement that is financed, in whole or in part, by an international cooperation organization, only to the extent that the agreement between the entity and the organization includes rules for awarding contracts that differ from the obligations set out in the Directive.
- Where construction materials are to be purchased and it can be demonstrated that transportation costs or technical considerations impose geographic limits on the available supply base, specifically in the case of sand, stone, gravel, asphalt, compound and pre-mixed concrete for use in the construction or repair of roads.
- Where compliance with the open tendering provisions set out in the Directive would interfere with the entities' ability to maintain security or order or to protect human, animal or plant life or health.
- Where there is an absence of any bid in response to an open competitive process that has been conducted in compliance with this document.
- Goods and Services as excluded under the AIT Chapter 5 obligations.

8. REQUEST FOR INFORMATION

The purpose of a Request For Information (RFI) is to gather general supplier or product information. This process may be used when the Board is researching a contemplated procurement and has not yet determined what characteristics the ideal solution would have.

- Responses to RFI questions normally contribute to the final version of a subsequent Request for Proposals (RFP) and may include targeted questions about the required output/acquisition, seeking combinations of industry leading practices, suggestions, expertise and even concerns and additional questions from proponents.
- A response to an RFI will not pre-qualify a potential supplier and will not influence their chances of being the successful proponent on any subsequent opportunity.

9. PRE-QUALIFICATION PROCESS

A pre-qualification process may be used to gather information on supplier capabilities and qualifications with the intention of creating a list of pre-qualified suppliers. The pre-qualification process may be either an Open Process or a Closed Process as follows:

OPEN PROCESS

This process will be used to identify potential vendors for expected, repetitive annual requirements of goods/services (e.g. Roofing; Paving; Renovations to Buildings; Consultants; etc.). The process will remain open and vendors may apply for inclusion at any time.

CLOSED PROCESS

This process will be used to identify potential vendors for an immediate need of goods/services not included under the Open Process. When this process is used then the timelines for application will be clearly stated in the pre-qualification document and the approved vendors will receive the bid document and will be invited to bid.

The pre-qualification document will do the following:

- Clearly identify the criteria for inclusion on the list of pre-qualified suppliers;
- Establish the length of time for which the pre-qualification is applicable. After this time, suppliers will be re-evaluated to ensure that they continue to meet the pre-qualification requirements;
- Establish the conditions under which a supplier can be removed from the pre-qualified list;
- Set upper limits, if applicable, for the value of future awards;
- Indicate that suppliers who are not pre-qualified may be excluded from future opportunities to bid at the sole discretion of the board;
- Clearly state that inclusion on the list of pre-qualified suppliers does not guarantee that the supplier will be awarded future contracts.

10. CO-OPERATIVE PURCHASING

The Board encourages co-operative purchasing with other school boards and other Government agencies whenever the best interest of the Board would be served. Contracts shall be awarded on the basis of lowest acceptable bid or highest ranking bidder and the policies and procedures of the participant responsible for issuing the bid document shall apply.

11. DISPOSAL OF BOARD ASSETS

- (A) The Purchasing Manager shall be informed of all property belonging to the Board which has been declared surplus to its particular use by the respective Superintendent/Principal. The Purchasing Manager shall ensure that all surplus property be disposed of only by means of public auction, tender or quotation, unless it has been determined by the Purchasing Manager that the item(s) declared surplus have little or no value then such item(s) will be scrapped (See item F below) provided that any usable equipment or material has first been offered to other schools and administrative offices within the Board;
- (B) The Purchasing Manager shall have the authority to sell, exchange, trade-in or otherwise dispose of all goods declared surplus to need and where it is cost effective and in the best interest of the Board to do so;
- (C) The sale of Real Property shall be in accordance with Ministry of Education policies;

- (D) If it is determined that a higher return of net disposal costs can be achieved by sale of surplus goods to the original vendor or vendors in that line of business, the Purchasing Manager shall negotiate to sell such goods at the highest return once the requirements of clause 11.A has been met;
- (E) Where it is deemed appropriate by the Purchasing Manager and/or the respective Superintendent/Principal, a reserve price may be established and in the case of disposal by tender may be published and disclosed; and in the case of auction or quotation shall be used as an internal estimate and not disclosed;
- (F) Where items have been declared surplus and are determined by the Purchasing Manager to have little or no value, the Purchasing Manager, in consultation with the respective Superintendent/Principal, shall have such items scrapped.
- (G) Sale or disposal of portable classrooms will be classified by the Planning and Accommodation Support Services Department as either reusable (suitable for continued student/staff use) or unusable. All surplus portable classrooms identified as reusable to be advertised for sale by public tender by the Purchasing Department. All portable classrooms identified as unusable to be disposed of by sale or demolition.

12. PROHIBITIONS

- No contract or purchase shall be divided to avoid the requirements of this operating procedure and the annual or total project requirement shall be considered;
- No employee or elected official shall purchase or offer to purchase, on behalf of the Board, any goods or services, except in accordance with this operating procedure;
- No personal purchases shall be made by the Board for elected members, or any appointed member of the Board or for any Board employee;
- No employee or elected official of the Board or direct family member of an employee or elected official of the Board may bid on the Board's purchase of goods and services;
- No employee or elected official shall bid on the sale of goods except those disposed of by public auction.

In addition, no employee of the Board who is assigned to work at an auction may bid on any Board assets being offered for sale at the auction. Also, no employee of the Board having the responsibility for identifying items as surplus may bid on such items at the auction sale;

- Any elected official, officer or employee of the Board is expressly prohibited from accepting any rebate, gift or money directly or indirectly from any person, company, firm or corporation to which any purchase order or contract is, or might be awarded.,
- For any competitive process the Board shall not discriminate or exercise preferential treatment in awarding a contract to a supplier through the biasing of specifications, timing of events so as to prevent suppliers from submitting bids, local content or other economic benefits criteria that are designed to favour goods of a particular province or region.

13. MISCELLANEOUS

- Formal bids which are late, illegible, unsigned, contain insufficient bid deposit, or do not include surety in the form requested will be rejected unless otherwise stated in the bid documents.

- When budget funding for approved projects or programs has been allocated and the respective Superintendent/Principal is ready to initiate the procurement process the Purchasing Manager shall be consulted prior to any request for prices or demonstrations.
- Procurement documents, as well as other pertinent information for reporting and auditing purposes will be maintained for a period of seven years and be in a recoverable form if requested. These documents shall be stored in accordance with Board policy
- When a change is required to existing construction/service contracts (only), the originator of the contemplated change shall obtain a price from the contractor/supplier for the change under consideration. Should the change be deemed appropriate, the change order notice will be approved in accordance with the departments process and forwarded to purchasing to amend the purchase order as necessary.
- Unsuccessful bidders will have any opportunity for a debriefing session for procurements valued at \$100,000.00 or more. The request must be received in writing within 60 calendar days following the date of the contract award. A letter confirming the debriefing date and time will be sent to the unsuccessful bidder by the Board. This letter will also request the unsuccessful bidder to submit questions regarding their bid submission to the appropriate Board representative prior to the meeting. The debriefing will provide a bidder with a critical review of the unsuccessful bid and of what in the opinion of the Board, were the particular strengths and weaknesses of their bid submission.
- Where there is discrepancy between the total price and the unit price, the unit price shall prevail and correction(s) shall be made during the evaluation process.

14. BID PROTEST PROCEDURES

Should a proponent choose to dispute the outcome of a bid process, the following process will apply:

- a) Before being able dispute the outcome of a bid, an unsuccessful bidder must avail themselves of a debriefing.
- b) If after attending a debriefing, the bidder still has concerns about the outcome of the bid process, the unsuccessful bidder should submit a protest in writing to the Manager of Purchasing within 10 business days of the debriefing meeting. Any protest that is not received in accordance with the schedule may not be considered, in which case the unsuccessful bidder will be notified in writing.
- c) A protest in writing should include:
 - The name and address of the bidder.
 - Identification of the bid solicitation being protested.
 - Identification of the bidder's specific concerns with the outcome of the bid process.
 - A precise statement of the relevant facts, the bidder's arguments and any supporting documentation.
- d) In consultation with the Controller, Corporate Support Services, the Purchasing Manager will respond in writing, within 10 business days of receiving the written protest.
- e) If a resolution cannot be met, the unsuccessful bidder may direct the complaint to the Associate Director Operational Support Services within 10 business days of receiving the response from the Purchasing Manager. The Associate Director Operational Support will

provide a written response within 10 business days of receiving the bid protest. The decision of the Associate Director Operational Support is final.

- f) All such written Board correspondence shall be on a “without prejudice” basis.
- g) If the bidder continues to have unresolved concerns in connection with the bid process, they may at that point, consider its other options, including challenges under the applicable trade treaties or pursuant to the relevant laws of Ontario.

15. DISPUTE RESOLUTION

In the event of any dispute between the parties arising out of or in connection with a Contract, the following dispute resolution process will apply unless the parties otherwise agree in writing: (a) the parties must initially attempt to resolve the dispute through collaborative negotiation; and (b) if the dispute cannot be resolved through collaborative negotiation within 30 calendar days of the dispute arising, the parties may agree between themselves to submit the particular matter to mediation in accordance with the laws of Ontario. Unless the parties agree otherwise in writing, the mediation under this section will be held in Ontario.

Any dispute between parties that cannot be resolved by such mediation shall be settled and determined by a Court of competent jurisdiction provided however that the Board reserves the right to submit such dispute for settlement and determination by arbitration pursuant to the Arbitration Act of Ontario (the “Act”) as same may be amended from time to time, in which case the following provisions shall apply. Either party may at any time give written notice to the other of its desire to submit such dispute to arbitration stating with reasonable particularity the subject matter of such dispute. In the case of the bidder giving notice to the Board, if the Board does not consent to submitting such matter to arbitration, the Bidder may refer such matter to a court of competent jurisdiction.

If the Board generates the notice, or if the notice is generated by the bidder and consented to by the Board, then the following provision shall apply. Within (5) business days after receipt of such notice, the parties shall appoint a single arbitrator with appropriate experience to determine such dispute.

If the parties fail to appoint an arbitrator, either party may apply to a Judge of the Ontario Court General Division to appoint an arbitrator to determine such dispute. The costs of arbitration shall be paid by the party as determined by the arbitrator, which jurisdiction shall include the determination of the costs to be paid by the unsuccessful party. The award of the arbitrator shall be final and binding upon the parties. Judgment upon the award rendered by the arbitrator may be entered in any court.

16. VENDOR PERFORMANCE EVALUATION

In order to ensure that it is holding its suppliers accountable for their contractual obligations, the Board will monitor the performance of all suppliers in accordance with the procedures set out below.

- a) Board employees responsible for managing a contract must ensure that they are regularly tracking a supplier’s performance, including ensuring timely deliveries and service calls; ensuring that quality goods are delivered on time; ensuring that milestones are met for projects; ensuring superior workmanship and quality; and ensuring that invoices match the contract. Detailed notes and records should be kept during the term of a contract with respect to any performance issues.

- b) Where a serious performance issue has occurred, the Board employee must complete a Supplier Occurrence Report. Supplier Occurrence Reports should be completed for issue such as:
- Failure to respond promptly to service calls.
 - Late deliveries, failure to deliver, under and over shipments.
 - Failure to abide by contract terms and conditions or failure to meet specifications.
 - Making unauthorized substitutions.
 - Continuous invoicing errors.
 - Poor quality or workmanship.
 - Bankruptcy.
 - Unethical practices, behavior or violation of Board policies.

Where a performance issue is serious enough, the Board may also consider terminating the contract.

- c) At the end of every contract, the responsible Board employee should complete a Supplier Performance Evaluation Form. There are three versions of these forms:
- Supplier Performance Evaluation Form – Design and Construction
 - Supplier Performance Evaluation Form – Goods and Services
 - Supplier Performance Evaluation Form – Maintenance

The responsible Board employee should ensure that these forms are completed with sufficient detail to ensure that any decision taken with respect to records of poor performance are fully defensible. Copies of all completed Supplier Performance Evaluation Forms should be kept with the Purchasing Department.

- d) Supplier Occurrence Reports and Supplier Evaluation Forms may be used to support disqualification decisions in accordance with Section 17 – Vendor Suspension or Removal from Pre-Qualified or Vendor of Record Lists.
- e) Where there is a Supplier Occurrence Report or a negative Supplier Performance Evaluation Form, the supplier at issue should be allowed to comment on the documentation for same and any such comments should be considered by the Board and included in the file.

17. VENDOR SUSPENSION AND OR REMOVAL FROM PRE-QUALIFIED OR VENDOR OF RECORD LISTS

The Board's vendor suspension process has two goals:

- to protect the Board from the risks associated with awarding contracts to vendors that have demonstrated an inability or unwillingness to fulfill or execute contractual requirements;
- and to protect the interests of the Board and the integrity of the procurement process.

A suspension operates to prohibit vendors who have displayed improper conduct (as further detailed below), from participating in Board solicitation process or contracts for specific periods of time.

The Board may, as the circumstances warrant, suspend a vendor from participating in any Board solicitation process if any of the following occurs:

- Failure to sign or execute a contract – may result in the suspension of bidding privileges for up to two years.
- If a supplier submits a bid in response to a Board procurement opportunity and that supplier subsequently refuses to honour its bid or the pricing included in that bid, the Board may consider disqualifying that supplier from participating in future Board procurement opportunities. However a supplier should not be disqualified if their failure to honour a bid was a legitimate withdrawal of that bid. Accordingly the reason why a supplier did not honour its bid must be analysed and considered in making a decision to disqualify that supplier. Factors that the Board may consider in such analysis include, but are not limited to:
 - i. If the Board and a selected Bidder in a negotiated procurement process attempt to negotiate an agreement in good faith and for valid business reasons are unable to come to an agreement, that supplier should not be disqualified;
 - ii. If a supplier fails to honour its submitted pricing because of a change in market conditions, the Board should consider whether pricing fluctuations are common in the industry. If price increases are common, the Board should consider whether the supplier should have factored this into their pricing. For example, could the market conditions have been reasonably predicted within the industry? If the Board's acceptance of the Bid took significantly longer than anticipated, the Board should consider the impact of the delay on the supplier's willingness to honour its submitted pricing;
 - iii. If a supplier does not honour its submission because it is too busy on other contracts at the time its bid is accepted, the Board's acceptance of the Bid was within the time period set out in the published timetable, the Board should consider disqualifying that supplier because suppliers should only submit proposals if they are capable of delivering the services; or
 - iv. Other reasons for a supplier's failure to honour a submission or pricing should be reviewed contextually and fairly.
- Documented unsatisfactory performance on Board contracts including but not limited to the following may result in the suspension of bidding privileges for up to two years:
 - If a supplier fails to either comply with a rectification notice or provide a satisfactory rectification plan within the time frame specified in the Supplier Occurrence Report, the Board may immediately terminate the contract. Where the supplier has been given a prior rectification notice, the same subsequent type of non-compliance by the Supplier shall allow the Board to immediately terminate the Contract and result in suspension of bidding privileges to the Board for up to two years.
 - If a supplier receives two provisional scoring outcomes regardless of the project this will result in the suspension of bidding privileges to the Board for up to two years.
 - If a supplier receives an unsatisfactory performance evaluation outcome this will result in the suspension of bidding privileges to the Board for up to two years.
 - If a supplier is suspended a second time for the same cause suspension for up to four years will result.
- Ongoing litigation against or involving the Board. A supplier can be suspended if it:
 - i. is, or has in the past been, a party to litigation with the Board; or
 - ii. directly or indirectly, including by common ownership or control or otherwise, is related to a party currently in litigation with the Board or a party that has in the past been in litigation with the Board; or

- iii. intends to use a sub-contractor in respect of the specific project who is, or has in the past been, a party to litigation with the Board, or who, directly or indirectly, including by common ownership or control or otherwise, is related to a party currently in litigation with the Board or a party that has in the past been in litigation with the Board.

For the purposes of this section, the phrase, "litigation with the Board" includes cases in which the respondent or prospective respondent or any of the parties named above, have advised the Board in writing of their intention to commence litigation, or have commenced or have advised the Board of their intention to commence an arbitral proceeding against the Board.

In determining whether or not to exercise its discretion as set out in this section, the Board will consider whether the litigation (past or current) is likely to affect a supplier's ability to work with the Board, its consultants and representatives, and whether the Board's experience with the supplier, the related party or sub-contractor, as the case may be, in the matter giving rise to the litigation, indicates that the Board is likely to incur increased staff and legal costs in the administration of the contract if it is awarded to the supplier. Further the Board can consider the merit of the litigation and whether it can legitimately be considered frivolous or vexatious.

Disqualification should not be exercised to "punish" the supplier for bringing a legitimate lawsuit or claim that has merit against the Board. Litigation against the Board in respect of matters unrelated to a procurement process or contracts for the provision of goods, services or construction should not be considered under this Protocol.

Any suspension must be approved by the Manager of the department responsible and by the Purchasing Manager and must be supported by a written business case. A suspension decision should be communicated in writing to the supplier in question and should include full details as to the reason for the suspension and the length of the suspension.

The Purchasing Department shall keep a list of all suspended suppliers.

A suspended supplier may apply to submit proposals or submissions to Board procurement opportunities upon the completion of half of the original disqualification period. For example, if the original disqualification period was two years, the supplier may apply for review of the disqualification after one year. In order to be re-eligible, the supplier must submit a written case for re-instatement, including supporting documentation if necessary, that provides reasons why the original reason for the disqualification would no longer prove a risk for the Board.

Applications for review of eligibility are to be reviewed by the Purchasing Manager. If the Purchasing Manager is convinced that the reasons for the original disqualification will no longer present risk for the Board should it do business again with the supplier in question, then a business case supporting the re-instatement may be approved.

18. ITEMS NOT REQUIRING A PURCHASE ORDER

- Purchasing Card Purchases
- Petty Cash Items - purchases less than \$200.00 excluding taxes
- Cheque Requisition (Invoice Entry) - purchases less than \$4,000.00 excluding taxes
- Training and Education
 - Conferences
 - Courses

- Seminars
 - Conventions
 - Memberships
 - Periodicals
 - Magazines
 - Subscriptions
 - Staff Training
 - Staff Development
 - Staff Workshops
 - Books
- Refundable Employee Expenses
 - Cash Advances
 - Meal Allowances
 - Travel Expenses
 - Entertainment
 - Miscellaneous - Non-Travel
 - Hotel Accommodation
 - Mileage
 - General Expenses
 - Licenses (vehicles, elevators, radios, etc.)
 - Charges to or from other government bodies or Crown Corporations except for construction and/or maintenance projects
 - Real Estate including land, buildings, leasehold interests, easements, encroachments and licenses
 - Items of a confidential nature
 - Special services, including appraisals, medical, etc.
 - Freight charges
 - Utilities
 - Postage
 - Water and Sewage Charges
 - Hydro
 - Natural Gas
 - Telephone Service i.e. Bell Canada
 - Cable Television Service
 - Transportation – Bussing Services for Transportation

19. AODA ACCESSIBILITY

The Peel District School Board is committed to accessibility and preventing and removing barriers for persons with disabilities. Where practicable, the Board will incorporate accessibility features and criteria when procuring or acquiring goods, services and facilities. If the Board determines that it is impractical to do so an explanation will be provided upon request.

20. DEFINITIONS AND INTERPRETATIONS

In this operating procedure;

- "acquisition" means the process for obtaining goods and services;

- "approval" means authorization to proceed with the purchase of goods and/or services;
- "Board" means the Peel District School Board;
- "contract" means a binding agreement between two or more parties;
- "Board of Trustees" means the elected or appointed members of the Peel District School Board;
- "emergency" means a situation where the immediate purchase of goods or services is essential to prevent serious delays, further damage or restore minimum service;
- "goods and services" means supplies, equipment, property, insurance, construction, maintenance and service contracts, professional and consulting services;
- (A) Purchasing Card (P-Card) means a charge card issued to authorized Board staff for the purchase of low dollar valued items.
- (B) Ghost Card means a virtual charge card that is set up by the Purchasing Department with specific vendors for the purchase of Tendered/Contracted items.
- "Purchasing Manager" means the manager of the section within Corporate Support Services who is in charge of the Board's Purchasing Management program;
- "open market procedure" means obtaining price quotations from suppliers verbally or in writing;
- "real property" includes lands, building and any interest, estate or right of easement affecting same;
- "personal property" means any property not within the definition of real property;
- "personal purchases" means a purchase of goods and services, which is not Board related but is personal to the individual requesting the purchase;
- "professional and consulting services" includes architects, engineers, designers, surveyors, management and financial consultants, brokers, legal representation, and any other professional and consulting services rendered on behalf of the Board;
- "proposal" means an offer from a supplier to provide goods and services, acceptance of which may be subject to further negotiation;
- "purchase order" means a written offer to purchase goods and services or a written acceptance of an offer where such offer has been made on forms prescribed by the Board;
- "quotation" means an offer from a supplier to sell goods and services to or buy them from the Board;
- "responsive and responsible vendor" means one who complies with the provisions of the bid solicitation, including specifications, contractual terms and conditions, and who can reasonably be expected to provide satisfactory performance on the proposed contract based on reputation references, performance on previous contracts; and sufficiency of financial and other resources;
- "surety" means a specified dollar amount in the form of cash, certified cheque, bid bond, performance bond, labour and Purchasing bond, letter of credit or any other form as deemed necessary and stated in any quotation, bid document documents issued by the Board;
- "tender" means an offer received from a supplier of goods and services in response to a request and/or public advertisement requesting prices and/or information on their goods and services and which shall be submitted in a sealed envelope at a prescribed time and place;
- "procurement" means the combined functions of purchasing, contract administration and disposal of surplus equipment and supplies;
- Where the title of Superintendent, Principal and Purchasing Manager is used within this document it is implied to further mean "or their designate(s)" also;

- In the absence of the Purchasing Manager, the Acting Purchasing Manager shall act as the authorized designate.
- “Single source” is the use of a non-competitive procurement process to acquire goods, services or construction from a specific supplier even though there may be more than one supplier capable of delivering the same goods, services or construction.
- “Sole source” means the use of a non-competitive procurement process to acquire goods or services where there is only one available supplier for the source of the goods or services.

REFERENCES

Board Policy #8

Board Policy #12

Finance Support Services 1

Finance Support Services 7

Environmental Health and Safety 1.3.1

Environmental Health and Safety 1.5.2

Environmental Health and Safety 1.5.1

81 03 10

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90 03 19 Revised

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97 12 01 Revised

09 04 27 Revised

09 10 22 Revised

11 04 07 Revised

12 05 10 Revised

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