

Procurement Policy

Section:	Finance	Policy No.:	Fin 5.0
Applicability:	Employees	Effective Date:	November 17, 2016
Approval Authority:	Board of Directors		
Date of Last Review:	February 11, 2025	Last Revision Date:	January 30, 2024

POLICY

Community Living Owen Sound and District (CLOS&D) is committed to a fair and objective purchasing process. All purchasing practices will be conducted within the scope of the Broader Public Sector Procurement Directive effective January 1, 2024.

SCOPE

This policy applies to the procurement of all goods and services required by CLOS&D

PRINCIPLES

Accountability- be accountable for the results of their procurement decisions and the appropriateness of the processes.

Transparency- be transparent to all vendors. Wherever possible, vendors must have equal access to information on procurement opportunities, processes and results

Value for Money- 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-ensure that front-line services provided by employees such as supporting people, will receive the right product, at the right time, in the right place.

Process Standardization- Utilize standardized processes that remove inefficiencies and create a level playing field.

PROCEDURE

Segregation of Duties

CLOS&D will segregate at minimum three of the five functional procurement roles. 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. The overall value of procurement will not be reduced by dividing a single procurement into multiple steps in order to circumvent the approval requirements.

Goods, Non-Consulting Service and Construction						
Type	Value	Requisition	Budgeting	Commitment	Receipt	Payment
		Authorized an order to be placed for good or services	Authorized funding is in place to cover the cost of the goods or services	Authorized the release of the order to the supplier under agreed upon terms for the goods and services	Authorized the goods or services was received, correct and/or complete	Authorize release of payment to supplier or contractor
Supplies	\$0.00- up to \$300.00	Supervisor	Director of Finance	Supervisor	Supervisor	Accounts Payable
Supplies	\$300.00- up to but not including \$5,000.00	Manager	Director of Finance	Manager	Manager	Accounts Payable
Supplies	\$5,000.00- up to but not including \$40,000.00	Chief Executive Officer	Director of Finance	Chief Executive Officer	Chief Executive Officer	Accounts Payable
Supplies	\$40,000.00 and over	Board of Directors	Director of Finance	Board of Directors	Board of Directors	Accounts Payable
Construction	\$0.00- up to but not including \$5,000.00	Manager	Director of Finance	Manager	Manager	Accounts Payable
Construction	\$5,000.00- up to but not including \$40,000.00	Chief Executive Officer	Director of Finance	Chief Executive Officer	Chief Executive Officer	Accounts Payable
Construction	\$40,000.00 and over	Board of Directors	Director of Finance	Board of Directors	Board of Directors	Accounts Payable Authorized by the Board of Directors

Segregation of Duties- continued

Type	Value	Requisition	Budgeting	Commitment	Receipt	Payment
Consulting Services	\$0.00- up to but not including \$5,000.00	Manager	Director of Finance	Manager	Manager	Accounts Payable
Consulting Services	\$5,000.00- up to but not including \$40,000	Chief Executive Officer	Director of Finance	Chief Executive Officer	Chief Executive Officer	Accounts Payable
Consulting Services	Over \$40,000.00	Board of Directors	Director of Finance	Board of Directors	Board of Directors	Accounts Payable Authorized by the Board of Directors

Approval Authority Schedule

Authorities that are allowed to approve procurement for different dollar thresholds. The dollar thresholds have been approved by the Board of Directors.

Goods and non-consulting services

Goods and Services Procurement Value (not including taxes)	Procurement Method	Approval Authority
\$0.00 up to \$300.00	Petty Cash, invoice, purchase order	Supervisor
\$300.00 up to but not including \$5,000.00	Invoice/Purchase order, Credit Card	Manager
\$5,000.00 up to up not including \$40,000.00	Invitational competitive (with bid from qualified suppliers) or Vendor Record	Chief Executive Officer
\$40,000.00 or more	Open Competitive	Board of Directors

Consulting Services

Prior to commencement, any procurement of consulting services must be approved in accordance with the below schedule

Procurement Method	Procurement Value	Approval Authority
Invitational Competitive	0.00 up to but not including \$40,000.00	Chief Executive Officer
Open competitive	\$0.00 up to but not including \$40,000.00	Chief Executive Officer
	\$40,000.00 or more	Board of Directors

The overall value of procurements must not be reduced by dividing it into multiple procurements in order to circumvent the approval requirements.

CLOS&D will abide by the Broader Public Sector Procurement Directive, mandatory requirements # 4 through to # 22 outlined in the Directive.

<https://files.ontario.ca/tbs-bps-procurement-directive-en-2023-08-23.pdf>

Procurement Records Retention

For reporting and auditing purposes, all procurement documentation, as well as any other pertinent information must be retained in a recoverable format for a period of seven years. Procurement documents are confidential and access to the documents will only be permitted by the Chief Executive Director or the Director of Finance.

Conflict of Interest

CLOS&D will monitor any conflict of interest that may arise as a result of the Members' of the organization, advisors', external consultants', or suppliers' involvement with the supply chain activities. Individuals involved with the supply chain activities must declare actual, perceived, or potential conflicts of interest. Where a conflict of interest arises, it will be evaluated, and an appropriate mitigating action will be taken.

Definitions

Approval Authority- means the authority delegated by the Organization to a person designated to occupy a position to approve on its behalf one or more procurement

functions within the plan-to-pay cycle up to specified dollar limits subject to the applicable legislation, regulations and procedures in effect at such time.

Competitive Procurement-means a set of procedures for developing a procurement contract through a bidding or proposal process. The intent is to solicit fair, impartial, competitive bids.

Construction- means construction, reconstruction, demolition, repair or renovation of a building, structure or other civil engineering or architectural work and includes site preparation, excavation, drilling, seismic investigation, the supply of products and materials, the supply of equipment and machinery if they are included in and incidental to the construction, and the installation and repair of fixtures of a building, structure or other civil engineering or architectural work, but does not include professional consulting services related to the construction contract unless they are included in the procurement.

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

Consulting Services- means the provision of expertise or strategic advice that is presented for consideration and decision-making.

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

Goods- means moveable property (including the costs of installing, operating, maintaining or manufacturing such moveable property) 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.

Goods and Services/Goods or Services- means all goods and/or services including construction, consulting services and information technology.

Invitational Competitive Procurement-means any form of requesting a minimum of three (3) qualified suppliers to submit a written proposal in response to the defined requirements outlined by an individual/organization.

Procurement- means acquisition by any means, including by purchase, rental, lease or conditional sale, of goods or services.

Segregation of Duties-means a method of process control to manage conflict of interest, the appearance of conflict of interest, and errors or fraud. It restricts the amount

of power held by any one individual. It puts a barrier in place to prevent errors or fraud that may be perpetrated by one individual.

Services-means intangible products that do 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.

Supplier/Vendor- means any person or organization that, based on an assessment of that person's or organization's financial, technical and commercial capacity, is capable of fulfilling the requirements of procurement.

Supply Chain Activities- means all activities whether directly or indirectly related to organizational plan, source, procure, move, and pay processes.

Policy Evaluation

Barring unforeseen developments, this policy will be reviewed in Q2 2025

Related Documents

Broader Public Sector Procurement Directive – effective January 1, 2024
Fin 4.0 Supply Chain Code of Ethics

Forms

N/A