

Procurement Policy and Protocols

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Procurement Policy

Section 1: Purpose and Principles

1.1 Purpose

The purpose of this Policy is to detail the principles, procedures, roles and responsibilities for the City's procurement operations.

1.2 Principles

The City is committed to conducting its procurement operations in accordance with the following principles:

- (a) compliance and consistency with applicable legislation, policies and procedures;
- (b) open, fair and transparent processes that afford equal access to all qualified suppliers;
- (c) reciprocal non-discrimination and geographic neutrality with respect to its trading partners in accordance with trade treaty obligations;
- (d) achieving best value through consideration of the full range of procurement formats and the adoption of commercially reasonable business practices;
- (e) effective balance between accountability and efficiency; and
- (f) ensuring adherence to the highest standards of ethical conduct.

Section 2: Interpretation and Application

2.1 Defined Terms

Terms used in this Policy are defined in the Glossary of Terms in Schedule A of this Policy.

2.2 Application

This Policy applies to the procurement of all deliverables. Procurement includes the acquisition of deliverables by purchase, rental or lease.

This Policy does not apply to:

- (a) contracts or agreements relating to hiring of employees or employee compensation or reimbursement of employee expenses; or
- (b) contracts or agreements for the sale, purchase, lease or license of land or existing buildings.

2.3 Transition Period

During the two (2) years following the adoption of this Policy and related protocols and procedures:

- (a) the roles and responsibilities assigned to Procurement Services may be reassigned to Departments, as determined by the CAO; and
- (b) the roles, responsibilities and authorities of the Head of Procurement Services, may be assumed by the CAO, or may be reassigned or delegated in writing by the CAO to Department Directors or other officers or employees of the City.

2.4 Procurement Protocols and Procedures

Procurement Services is responsible for developing and maintaining detailed protocols and procedures to support this Policy. These protocols and procedures are designed to ensure compliance with the City's trade agreement obligations and the laws of public procurement. All procurements covered by this Policy must be conducted in accordance with all applicable protocols and procedures. Failure to comply with this requirement may expose the City to legal and trade treaty challenges.

2.5 Contract Splitting

Subdividing, splitting or otherwise structuring procurement requirements or contracts in order to reduce the value of the procurement or in any way circumvent the requirements or intent of this Policy is not permitted.

2.6 Emergency Purchases

Notwithstanding any other provisions of this Policy, where an emergency exists and prior approval of Procurement Services cannot be obtained, a Department Director, or their designate, may authorize any officer or employee to acquire required deliverables in an expedited manner.

For the purposes of this Policy, an emergency exists when an unforeseeable situation or event occurs that is a threat to any of the following:

- (a) public health and/or safety;
- (b) the maintenance of essential services;
- (c) the welfare of persons or public property; or
- (d) the security of the City's interests.

Situations of urgency resulting from the failure to properly plan for a procurement do not constitute an emergency.

2.7 Cooperative Purchasing

The City may participate in cooperative or joint purchasing initiatives with other entities where such initiatives are determined to be in the best interests of the City. If the City participates in such cooperative or joint purchasing initiatives, the City may adhere to the policies of the entity conducting the purchasing process, provided that such policies comply in spirit with this Policy. If the City is leading a cooperative or joint purchasing initiative, this Policy will be followed.

Section 3: Ethical Conduct and Conflicts of Interest

3.1 Conduct and Conflicts of Interest

The City's procurement activities must be conducted with integrity and all individuals involved in the City's procurement activities must act in a manner that is consistent with the principles and objectives of this Policy and in accordance with the City's Code of Conduct Policy (Employee Policy 736 Article 28) and any other related City policies.

All participants in a procurement process, including any outside consultants or other service providers participating on behalf of the City, must declare any perceived, possible or actual conflicts of interest.

Any acceptance of gifts or favours from suppliers must be in accordance with the City's Gifts and Hospitality Policy (Employee Policy 710-16).

3.2 Supplier Conduct and Conflicts of Interest

The City requires its suppliers to act with integrity and conduct business in an ethical manner. All suppliers participating in a procurement process or providing deliverables to the City must declare any perceived, possible or actual conflicts of interest and must conduct themselves in accordance with the Supplier Code of Conduct in Schedule E of this Policy. The City may refuse to do business with any supplier that has engaged in illegal or unethical bidding practices, has an actual or potential conflict of interest or an unfair advantage or fails to adhere to ethical business practices.

Section 4: Roles and Responsibilities

4.1 Role and Responsibilities of Council

It is the role of Council to establish policy and approve expenditures through the City's budget approval process. Through this Policy, Council delegates to the CAO the authority to incur expenditures in accordance with approved budgets through the procurement of deliverables in accordance with the rules and processes set out in this Policy and applicable protocols and procedures. Council may provide strategic direction and guidance on major projects prior to the commencement of the procurement process; however, Council will not generally be involved in the day-to-day procurement operations or individual procurement processes, except to the extent that the approval of Council is required under this Policy or in the event that an exception to this Policy is required.

4.2 Roles and Responsibilities of Designated Officers and Employees

Specific responsibilities pertaining to all stages of a procurement process, from the initial identification of requirements through to the management of contracts with suppliers, are detailed in this Policy and applicable protocols and procedures. In addition to those specific responsibilities, the general roles and responsibilities delegated to the City's officers and employees are set out below.

(a) Chief Administrative Officer (CAO)

It is the role of the CAO to oversee the City's procurement operations. In fulfilling this role, the CAO is responsible for:

- implementing and approving amendments to this Policy and related protocols.
- enforcing this Policy and related protocols; and
- providing support and guidance to Procurement Services.

(b) Procurement Services

It is the role of Procurement Services to lead the City's procurement operations. Procurement Services is responsible for:

- ensuring the consistent application of this Policy and the provision of procurement services to the Departments in an efficient and diligent manner;
- developing procurement strategies and continually analyzing business requirements and spending patterns to identify opportunities for more strategic sourcing;
- researching, developing, maintaining, updating and communicating procurement protocols, procedures and templates;
- addressing any issues or concerns that arise in respect of a procurement process and seeking legal advice, as required; and
- providing appropriate orientation, training and tools to employees involved in procurement activities.

(b) Department Directors

It is the role of the Departments to ensure that their requirements for deliverables are met in accordance with the principles and objectives of this Policy. In fulfilling this role, Department Directors are responsible for appointing a Procurement Champion who will lead the Department's procurement operations. The Department Director, with the assistance of their Procurement Champion, is responsible for encouraging sound procurement practices, and ensuring the provision of appropriate education and training to employees involved in procurement activities.

Department Directors will be held accountable for any decision to proceed with a procurement process or transaction that is not conducted in accordance with this Policy or does not have the approval of Procurement Services.

(c) Department Employees

Employees of all Departments are responsible for complying with this Policy. Department employees involved in procurement activities must clearly understand their obligations and responsibilities under this Policy and all applicable protocols and procedures, and

should consult with Procurement Services in respect of any questions regarding the application or interpretation of this Policy or any relevant procedures.

(d) Procurement Champions

Procurement Champions are responsible for leading their Department's procurement operations and fulfilling the responsibilities of the Department, as set out in the procurement protocols and procedures. Procurement Champions are responsible for ensuring their Department complies with this Policy and all applicable protocols and procedures, and should consult with Procurement Services in respect of any questions regarding their application or interpretation.

4.3 Procurement Adjudication Committee

For each procurement that is conducted through an Open Competition, the City will establish a Procurement Adjudication Committee for the purpose of planning and preparing for the procurement, including determining the appropriate procurement strategy and developing the requirements and specifications for inclusion in the solicitation document. The Procurement Adjudication Committee should include the Project Sponsor, subject-matter experts from the relevant Department(s) and a representative of Procurement Services. Where necessary, external advisors may also be retained to participate in or provide advice to the Procurement Adjudication Committee.

Some members of the Procurement Project Team, including the Project Sponsor and the subject-matter experts, may also participate in the evaluation team established to evaluate the bids. Procurement Services may oversee the evaluation process, but will not participate directly in the evaluation of bids.

4.4 Procurement Policy Review Committee

The City will establish a Procurement Policy Review Committee for the purpose of making determinations under the Procurement Protest Protocol and the Supplier Suspension Protocol, and for considering and providing input on other procurement matters that may be referred to it by Procurement Services. The Procurement Policy Review Committee should generally consist of a representative of Procurement Services and the Procurement Champion of each Department.

Section 5: Procurement Approval and Contracting Authorities

5.1 Delegated Approval Authority

The Schedule of Delegated Approval Authority, attached as Schedule D to this Policy, sets out the delegated authorities for:

- (a) approving the initiation of a procurement;
- (b) approving the award of a contract; and
- (c) approving amendments to existing contracts.

5.2 Delegated Contracting Authority

Contracting authority is the authority to enter into a contract with a supplier on behalf of the City. A contract may be entered into through the execution of a legal agreement and/or the issuance of a purchase order evidencing the contract.

The CAO, Head of Procurement Services, and Department Directors have delegated authority to issue purchase orders on behalf of the City.

Legal agreements requiring execution on behalf of the City must be signed by both the CAO and the Mayor. No other officers or employees are authorized to sign agreements on behalf of the City.

Contracting authority includes the authority to execute amending agreements and/or issue amended purchase order, where an amendment to an existing contract has been approved in accordance with the Schedule of Delegated Approval Authority (Schedule D).

5.3 Conditions of Delegated Authority

Delegated approval authorities and delegated contracting authorities are subject to all of the following conditions:

- (a) No procurement may be initiated unless approved budget in an amount sufficient to cover the procurement value is available.
- (b) No contract award may be approved unless approved budget in an amount sufficient to cover the procurement value is available and the procurement process was conducted in accordance with this Policy.
- (c) No contract may be entered into, either through the issuance of a purchase order or the execution of an agreement, unless approved budget in an amount sufficient to cover the procurement value is available, the procurement process was conducted in accordance with this Policy and the contract award has been approved in accordance with this Policy.

5.4 Council Authority

If any of the applicable conditions of delegated authority are not met, Council approval must be obtained before proceeding with any procurement or contracting activity.

Section 6: Procurement of Deliverables

6.1 Procurement Planning

Effective procurement planning is essential to ensuring an effective result and to limiting risk to the City. Departments must ensure that they leave sufficient time to plan for a procurement, including time for:

- (a) developing proper specifications and business requirements;
- (b) obtaining internal reviews;

(c) conducting a competitive process, as required; and

(d) obtaining necessary approvals.

Departments must follow the Procurement Planning Protocol.

6.2 Market Research

Where the Department is uncertain about the deliverables required or where there is insufficient internal knowledge about the market, the Department must consult with Procurement Services about conducting a Request for Information (RFI) process. An RFI process must be openly posted in order to gather market research from prospective bidders. It must not be used as a prequalification tool.

6.3 Supply Arrangements for Recurring Requirements

Before initiating a procurement, Departments must consider the availability of existing supply arrangements. If the deliverables will be required on a frequent or regularly recurring basis, and there is no existing supply arrangement, the Department must consult with Procurement Services about the possibility of establishing a Standing Offer or Qualified Supplier Roster.

Standing Offers may be established by Procurement Services for standardized deliverables to be purchased by all Departments, where the requirements for deliverables are recurring and predictable over an extended period of time, the requirements are standard and clearly defined at the time of establishment of the Standing Offer, and it is possible to fix pricing for the deliverables for the duration of the Standing Offer.

Qualified Supplier Rosters may be established by Procurement Services to pre-qualify suppliers that will be invited to compete for discrete work assignments, as and when required, involving the delivery of a particular type of deliverables.

6.4 Procurement Value

It is important to accurately estimate the value of the procurement to ensure compliance with the appropriate requirements of this Policy. Departments must refer to the Procurement Planning Protocol for additional guidance on determining the Procurement Value.

6.5 Procurement Method

Different types of procurement processes may be used depending on the nature, value and circumstances of the procurement. The Procurement Planning Protocol must be followed to identify the appropriate procurement method.

6.6 Initiating Procurement

Unless specifically permitted under this Policy or the procurement protocols or procedures, Departments are not permitted to procure deliverables or engage with potential suppliers regarding the procurement of deliverables without the involvement of Procurement Services.

A procurement must be initiated in accordance with the Procurement Planning Protocol. The initiation of the procurement must be approved in accordance with the Schedule of Delegated Approval Authority.

6.7 Applicable Protocols

The procurement process must be conducted in accordance with this Policy and the applicable protocols specified in Schedule C of this Policy. The roles and responsibilities of those involved in the various stages of a procurement process are described in the applicable protocols.

6.8 Standard Procurement Methods

Depending on the nature, value and circumstances of the procurement, the City may procure deliverables through the following standard procurement methods.

(a) Ordering from Standing Offer

When a Standing Offer is available, its use is mandatory for all Departments. To purchase from the Standing Offer, a purchase order referring to the Standing Offer details should be created and sent to the supplier. The purchase will reflect the pre-negotiated prices and terms and conditions of the Standing Offer.

(b) Roster Competition

If the deliverables are available under an existing Qualified Supplier Roster, the goods and services must be acquired through a Roster Competition in accordance with the terms of the Master Framework Agreement and the Qualified Supplier Rosters Protocol.

(c) Low-Value Procurement

Where the procurement value is below the Low-Value Procurement Threshold and the deliverables are not covered under an existing Standing Offer or Qualified Supplier Roster, the procurement process must be conducted in accordance with the Low-Value Procurement Protocol.

When procuring low-value deliverables consideration should be given to obtaining quotes from Local Suppliers whenever possible. Quotes from Local Suppliers may be accepted if the price is within 5% of the lowest quote obtained.

The authority to conduct a Low-Value Procurement is delegated to a Department Director. The Department Director may authorize in writing specific individuals within the Department to make Low-Value Procurements and may assign specific spending authority limits. The Department Director is responsible and accountable for Low-Value Procurements.

If a Department anticipates making multiple Low-Value Procurements of the same deliverables and the total value of those procurements may exceed the Low-Value Procurement Threshold, the Department must contact Procurement Services to discuss the possibility of setting up a Standing Offer or Qualified Supplier Roster.

(d) Invitational Competition

Where the procurement value is above the Low-Value Procurement Threshold and below the Open Competition Threshold, Procurement Services may conduct an Invitational Competition by inviting a limited number of suppliers to submit bids in accordance with the Invitational Competition Protocol.

When inviting suppliers to participate in Invitational Competitions, consideration should be given to including qualified Local Suppliers whenever possible. In Invitational Competitions where evaluation and selection are based solely on price, bids from Local Suppliers may be accepted if the bid price is within 5% of the lowest bid, provided that the solicitation document clearly discloses that such a preference will be given.

An Open Competition may be conducted in lieu of an Invitational Competition, where the Head of Procurement Services, in consultation with the Department, determines that it would be in the City's best interest.

Procurement Services may delegate in writing the authority to conduct an Invitational Competition to a Department, on either a standing basis or a case-by-case basis. Where a Department has delegated authority to conduct an Invitational Competition, the Department Director is responsible and accountable for ensuring that the process is conducted in accordance with the Invitational Competition Protocol.

(e) Open Competition

An Open Competition, in which bids are solicited from all interested suppliers through a publicly posted solicitation document, is the standard method of procurement when the procurement value equals or exceeds the Open Competition Thresholds. Open Competitions may also be used to establish Standing Offers.

Open Competitions may include two-stage procurement processes in which a prequalification process is conducted by soliciting and evaluating submissions from all interested suppliers in order to establish a short-list of prequalified suppliers that will be eligible to submit a bid in response to a second-stage solicitation document. A two-stage procurement process may be used whenever determined appropriate by Procurement Services, in consultation with the Department.

Open Competitions must be conducted by Procurement Services in accordance with the Open Competition Protocol. In accordance with the City's trade agreement obligations, no preference will be given to Local Suppliers in an Open Competition.

(f) Open Framework Competition

In the case of goods or services that are required on a regular or repetitive basis by one or more Department(s), an Open Framework Competition should be used to establish a Qualified Supplier Roster in accordance with the Qualified Supplier Roster Protocol.

6.9 Non-Standard Procurement

Non-Standard Procurement means the acquisition of deliverables through a method or process other than the method or process normally required for the type and value of the deliverables. Non-standard procurement methods include:

- (a) Non-Competitive Procurement, where the deliverables are acquired directly from a particular supplier without conducting a competitive process when an Invitational Competition or an Open Competition would normally be required; or
- (b) Limited Competition, where bids are solicited from a limited number of suppliers without conducting an open prequalification process when an Open Competition would normally be required.

The use of a Non-Standard Procurement process is only permitted under the specific circumstances set out in the Non-Standard Procurement Protocol and must be approved in accordance with the Non-Standard Procurement Protocol.

Under no circumstances will a Non-Standard Procurement be used for the purpose of avoiding competition among suppliers or in a manner that discriminates against or advantages suppliers based on geographic location.

6.10 Contract Finalization

Contracts must be finalized, approved and entered into in accordance with this Policy, applicable protocol(s) governing the procurement process. A contract must not be entered into unless all applicable protocols have been followed and all required procurement approvals have been obtained. The contract must be in place prior to the delivery or provision of the deliverables.

Section 7: Supplier Relations and Contract Management

7.1 Procurement Protests

Suppliers may formally protest the outcome of a procurement process. Procurement protests must be managed and responded to in accordance with the Procurement Protest Protocol.

7.2 Contract Management

All contracts for deliverables must be managed by the Department in accordance with the Contract Management Protocol. Master Framework Agreements will be managed by Procurement Services in accordance with the Qualified Supplier Rosters Protocol.

7.3 Supplier Performance

The performance of a supplier under contract must be monitored and tracked in accordance with the Supplier Performance Evaluation Protocol.

7.4 Supplier Suspension

Suppliers can be suspended from participating in future procurement processes in accordance with the Supplier Suspension Protocol.

Section 8: Procurement Recordkeeping

8.1 Supplier Information

The City must ensure that supplier information submitted in confidence in connection with a procurement process or contract is adequately protected. Procurement Services and the Departments must ensure that all bids and contracts are kept in a secure location and only accessible by those individuals directly involved with the procurement or management of the contract.

8.2 Procurement Records

The maintenance, release and management of all procurement records must be in accordance with the City's policies and procedures on document management, records retention and access to information.

Procurement Services is responsible for ensuring that all documentation relating to a procurement is properly filed and maintained in a procurement project file. Documentation and reports regarding procurement processes and contract awards (including Non-Standard Procurements) and data necessary to trace the process conducted electronically must be maintained for a minimum period of at least three (3) years from the contract award date, or such longer period as may be required under the City's Records Retention Policy (Employee Policy 719).

Section 9: Compliance Monitoring and Reporting

9.1 Compliance Monitoring

Non-compliance with this Policy may expose the City to the risk of:

- (a) supplier complaints;
- (b) reputational damage;
- (c) damage to political relations;
- (d) bid disputes; and
- (e) legal challenges.

Department Directors are required to observe and address non-compliance with this Policy within their Departments. Where instances of non-compliance are identified, the Department Director is expected to notify the CAO and Procurement Services and obtain advice with respect to mitigating potential risks to the City arising from the non-compliance.

Procurement Services is responsible for monitoring compliance across the organization. Based on the results of compliance monitoring, reports outlining instances of non-compliance may be issued by the CAO to the relevant Department Director. The Department Director must address the identified compliance concerns and submit a written confirmation of actions taken to the CAO. Ongoing concerns with respect to compliance will be subject to internal audit.

9.2 Audit

All procurement activities will be subject to audit by CAO or Designate.

9.3 Reporting

Procurement Services will prepare and submit to CAO an annual report summarizing the City's procurement activities.

Schedule A – Glossary of Terms

“**bid**” means a submission in response to a solicitation document, and includes proposals, quotations, or responses.

“**bidder**” means a supplier that submits a bid, and includes proponents and respondents.

“**CAO**” means the City Administrative Officer, or authorized designate.

“**CETA**” means the Comprehensive Economic and Trade Agreement between Canada and the European Union.

“**CFTA**” means the Canada Free Trade Agreement.

“**City**” means the City of Chestermere.

“**competitive process**” means the solicitation of bids from multiple suppliers.

“**contract**” means a commitment by the City for the procurement of deliverables from a supplier, which may be evidenced by an agreement executed by the supplier and the City, or a purchase order issued by the City to the supplier.

“**Contract Administrator**” means an employee assigned to the management of a contract.

“**Council**” means the Council of the City of Chestermere.

“**Delegate**” means the individual who has been delegated authority in writing and signed by the CAO, Procurement Services or Department Director in accordance with this Policy.

“**deliverables**” means any goods, services or construction, or combination thereof.

“**Department**” means the branch, department, division or unit of the City that is requisitioning the purchase of the deliverables.

“**Department Director**” or “**Director**” means an individual officer or employee, or authorized designate, who is responsible for a specific Department.

“**Invitational Competition**” means a competitive process in which an invitation to submit bids is issued to at least three suppliers.

“**Local Supplier**” means a supplier that holds a valid City of Chestermere business license.

“**Low-Value Procurement**” means any procurement of deliverables with a value below the Low-Value Procurement Threshold set out in Schedule B, except where the procurement is made through an existing Standing Offer or Qualified Supplier Roster.

“**Master Framework Agreement**” means a master agreement entered into between the City and the prequalified suppliers that have been included on a Qualified Supplier Roster.

“Non-Standard Procurement” means the acquisition of deliverables through a process or method other than the process or method normally required for the type and value of the deliverables. Non-standard procurement processes include:

- a) A **“Non-Competitive Procurement”**, where the deliverables are acquired directly from a particular supplier without conducting a competitive process when an Invitational Competition or an Open Competition would normally be required; or
- b) A **“Limited Competition,”** where bids are solicited from a limited number of suppliers when an Open Competition would normally be required.

“NWPTA” means the New West Partnership Trade Agreement.

“Open Competition” means the solicitation of bids through a publicly posted solicitation document.

“Open Framework Competition” means the competitive process used to establish a Qualified Supplier Roster and provide for an ongoing application process during the term of the Qualified Supplier Roster, as further described in the Qualified Supplier Rosters Protocol.

“Performance Evaluation Report” means a report evaluating a supplier’s performance in accordance with the Supplier Performance Evaluation Protocol, and includes both Interim and Final Performance Evaluation Reports.

“Procurement Adjudication Committee” means the committee established for each Open Competition to plan

“Procurement Champion” means the individual employee in each Department that will be responsible for leading the Department’s procurement operations and ensuring the Department complies with the City’s Procurement Policy and Protocols.

“Procurement Plan” means the plan developed by a Department at the outset of an Invitational Competition or Open Competition in accordance with the Competitive Procurement Planning Protocol.

“Procurement Policy Review Committee” (“PPRC”) means the committee established by the City under the Procurement Policy for the purposes of considering and making determinations on procurement-related matters, including determinations under the Procurement Protest Protocol and the Supplier Suspension Protocol.

“Procurement Services” means branch, department, division or unit responsible for purchasing deliverables for the City.

“procurement value” means the total value of the deliverables being procured, and must include all costs to the City, including, as applicable, acquisition, maintenance, replacement, disposal; and training, delivery, installation and extension options, less applicable rebates or discounts and exclusive of sales taxes.

“Project Manager” means the individual in overall charge of the planning and execution of the project.

“Project Sponsor” means the individual Department employee that is the owner of the project.

“purchase order” means the City’s written document issued by a duly authorized employee of the City to a supplier formalizing all the terms and conditions of the purchase and supply of the deliverables identified on the face of the purchase order.

“purchasing card” means a credit card provided by the City to authorized officers and employees for use as a payment method to purchase directly from suppliers where permitted under the Procurement Policy and in accordance with any cardholder agreement and applicable procedures.

“Qualified Supplier Roster” means a list of suppliers that have participated in and successfully met the requirements of a Request for Supplier Qualifications (RFSQ), and have therefore been pre-qualified to perform discrete work assignments involving the delivery of a particular type of deliverable. The suppliers that qualify for inclusion on the Qualified Supplier Roster will enter into a Master Framework Agreement and will be eligible to participate in Roster Competitions, as and when the goods or services are required.

“Roster Competition” means an expedited, invitational competition between suppliers that have been included on a Qualified Supplier Roster for the selection of a supplier to perform a discrete work assignment during the term of the roster.

“solicitation document” means the document issued by the City to solicit bids from bidders.

“Standing Offer” means a written offer from a pre-approved supplier to supply deliverables to the City, upon request, through the use of an ordering process during a particular period of time, at a predetermined price or discount, generally within a pre-defined dollar limit. The Standing Offer does not create a contractual commitment from either party for a defined volume of business. The commitment to purchase against a Standing Offer is formed at the time a specific order is placed through the issuance of a purchase order to the supplier.

“supplier” means a person carrying on the business of providing deliverables.

“Suspension Recommendation Report” means a written report recommending the suspension of a supplier and setting out the terms of the proposed suspension in accordance with the Supplier Suspension Protocol.

Schedule B – Procurement Thresholds

1. Low-Value Procurement Thresholds

Goods	Below \$25,000
Services	Below \$25,000
Construction	Below \$50,000

2. Invitational Competition Thresholds

Goods	\$25,000 - \$75,000
Services	\$25,000 - \$75,000
Construction	\$50,000 - \$200,000

3. Open Competition Thresholds

Goods	\$75,000 and Above
Services	\$75,000 and Above
Construction	\$200,000 and Above

Procurement Policy and Protocols

Schedule C – Applicable Procurement Protocols

Procurement Method	Applicable Protocol(s)
All Procurement Methods	Procurement Planning Protocol Contract Management Protocol Supplier Performance Tracking Protocol Procurement Protest Protocol (as required) Supplier Disqualification Protocol (as required)
Roster Competition to purchase Deliverables from existing Qualified Supplier Roster	Qualified Supplier Roster Protocol
Low-Value Procurement	Low-Value Procurement Protocol
Invitational Competition	Format Selection Protocol Document Drafting Protocol Invitational Competition Protocol Debriefing Protocol (as required)
Open Competition	Format Selection Protocol Document Drafting Protocol Open Competition Protocol Enhanced Consensus Scoring Protocol Negotiation Protocol Debriefing Protocol (as required)
Open Framework Competition to establish a Qualified Supplier Roster	Qualified Supplier Roster Protocol
Non-Competitive Procurement	Non-Standard Procurement Protocol Negotiation Protocol
Limited Competition	Non-Standard Procurement Protocol Invitational Competition Protocol

Schedule D – Schedule of Delegated Approval Authority

STANDARD PROCUREMENT			
Procurement Method	Procurement Value ¹	Initiate Procurement	Approve Contract Award ²
Obtain quote(s) for Low-Value Procurement	At or below the Low-Value Procurement Threshold	Function Manager or Delegate	Function Manager or Delegate
Order deliverables from existing Standing Offer	Below Open Competition Threshold	Function Manager or Delegate	Function Manager or Delegate
Roster Competition for Deliverables from existing Qualified Supplier Roster	Below Open Competition Threshold	Sr. Manager or Delegate	Sr. Manager or Delegate
	At or above Open Competition Threshold	Director or Delegate	Director or Delegate
Invitational Competition	Below the Open Competition Threshold	Sr. Manager or Delegate	Sr. Manager or Delegate
Open Competition	Below the Open Competition Threshold	Director or Sr. Manager or Delegate	Director or Sr. Manager or Delegate
	At or above Open Competition Threshold	Director or CAO	CAO and Council
Open Competition to establish Standing Offer	Any value	Procurement Services or CAO	CAO and Council
Open Framework Competition to establish Qualified Supplier Roster	Any value	Procurement Services or Director	CAO and Procurement Services

NON-STANDARD PROCUREMENT			
Procurement Method	Procurement Value¹	Initiate Procurement	Approve Contract Award²
Non-Competitive or Limited Competition under the circumstances permitted in the Non-Standard Procurement Protocol	Any value	Department Director, PPRC and Project Sponsor	Department Director, PPRC and Project Sponsor

CONTRACT AMENDMENT		
Requirement	Total Cumulative Increase to Original Contract Value³	Approve Contract Amendment²
Amendment of existing contract for deliverables resulting in increase to the value of the contract	Any value	Department Director, PPRC and Project Sponsor

NOTES:

1. The authority to initiate a procurement process is based on the estimated procurement value. The authority to approve a contract award is based on the actual procurement value.
2. The authority to approve the contract award or the contract amendment does not include the authority to sign the agreement or the amending agreement and/or to issue the purchase order to the supplier, as applicable. The authority to sign agreements and/or issue purchase orders on behalf of the City is set out in Section 5.2 of the Procurement Policy. Agreements must be signed by both the CAO and the Mayor. No other officers or employees are authorized to sign agreements on behalf of the City.
3. Amount of increase is the cumulative total of value of all increases to the original contract value; if previous amendments were approved, the value of those amendments must be included in the total amount of increase.

Schedule E – Supplier Code of Conduct

The City requires its suppliers to act with integrity and conduct business in an ethical manner. The City may refuse to do business with any supplier that has engaged in illegal or unethical bidding practices, has an actual or potential conflict of interest or an unfair advantage, or fails to adhere to ethical business practices.

Suppliers are responsible for ensuring that any employees, representatives, agents or subcontractors acting on their behalf conduct themselves in accordance with this Code of Conduct. The City may require the immediate removal and replacement of any individual or entity acting on behalf of a supplier that conducts themselves in a manner inconsistent with this Code of Conduct. The City may refuse to do business with any supplier that is unwilling or unable to comply with such requirement.

(a) Illegal or Unethical Bidding Practices

Illegal or unethical bidding practices include:

- bid-rigging, price-fixing, bribery or collusion or other behaviours or practices prohibited by federal or provincial statutes;
- offering gifts or favours to the City’s officers, employees, appointed or elected officials or any other representative of the City;
- engaging in any prohibited communications during a procurement process;
- submitting inaccurate or misleading information in a procurement process; and
- engaging in any other activity that compromises the City’s ability to run a fair procurement process.

The City will report any suspected cases of collusion, bid-rigging or other offenses under the *Competition Act* to the Competition Bureau or to other relevant authorities.

(b) Conflicts of Interest

All suppliers participating in a procurement process must declare any perceived, possible or actual conflicts of interest.

The term “Conflict of Interest,” when applied to suppliers, includes any situation or circumstance where:

- in the context of a procurement process, the supplier has an unfair advantage or engages in conduct, directly or indirectly, that may give it an unfair advantage, including but not limited to (i) having, or having access to, confidential information of the City that is not available to other suppliers; (ii) communicating with any person with a view to influencing preferred treatment in the procurement process (including but not limited to the lobbying of decision makers involved in the procurement process); or (iii) engaging in conduct that compromises, or could be seen to compromise, the integrity of an open and competitive procurement process or render that process non-competitive or unfair; or

- in the context of performance under a potential contract, the supplier's other commitments, relationships or financial interests (i) could, or could be seen to, exercise an improper influence over the objective, unbiased and impartial exercise of its independent judgement; or (ii) could, or could be seen to, compromise, impair or be incompatible with the effective performance of its contractual obligations.

Where a supplier is retained to participate in the development of a solicitation document or the specifications for inclusion in a solicitation document, that supplier will not be allowed to respond, directly or indirectly, to that solicitation document.

(c) Ethical Business Practices

In providing deliverables to the City, suppliers are expected to adhere to ethical business practices, including:

- performing all contracts in a professional and competent manner and in accordance with the terms and conditions of the contract and the duty of honest performance;
- complying with all applicable laws, including safety and labour codes (both domestic and international as may be applicable); and
- providing workplaces that are free from harassment and discrimination.

For Administrative Policies:

Approved by CAO:

CAO