

The Children's Aid Society of the Districts of Sudbury & Manitoulin FINANCIAL Operating Documents

03-04.06 – Procurement And Spending Approval Levels

Cross-Reference:

PREAMBLE:

Procurement conducted by the Society shall be based on five principles:

- Accountability – accountable for the results of the procurement decisions and the appropriateness of the processes
- Transparency – transparent to all stakeholders. When possible, stakeholders have equal access to information on procurement opportunities, processes and results
- Value for Money – maximize the value received for the use of public funds
- Quality Service Delivery – front line services deliver the right service/product at the right time in the right place
- Process Standardization – remove inefficiencies and create a level playing field

POLICY:

The Children's Aid Society of the Districts of Sudbury and Manitoulin shall comply with the Broader Public Sector Procurement Directive. Appropriate procedures shall be established.

This policy does not apply to the following non-competitive purchases:

- Boarding expenditures to care providers;
- Allowances and expenditure reimbursements paid to Foster Parents;
- Financial and service subsidy payments to adoptive parents;
- Licensed professionals including medical doctors and dentists, pharmacists, nurses, psychologists, lawyers, accountants and architects;
- Health and related costs incurred on behalf of a Society client;
- Utilities, property taxes and other purchases where no alternative supply is possible or practical;
- Items covered by the Collective Agreement, Terms and Conditions of Employment or Employment Contract.

Means of Procurement shall be in accordance with the amounts set out below:

Amount	Means of procurement
Up to \$2,999	No quote required
\$3,000 to \$9,999	Minimum of one documented verbal quote
\$10,000 to \$24,999	Minimum of three documented verbal quotes
\$25,000 to \$99,999	Minimum of three written quotes
All consulting services up to \$99,999	Invitational competitive process – minimum of 3 suppliers invited to bid
All goods and services over \$100,000	Open competitive process

When determining the value of procurement for approval purposes applicable sales taxes should not be taken into consideration.

Other special circumstances in addition to those listed above may require the Society to use non-competitive procurement. Approval for non-competitive procurement shall be obtained before the procurement of goods and/or services is committed or finalized. Approval shall be documented with rationale in a manner that is clearly understood.

Open Competitive Procurements – Mandatory requirements

- Calls for open competitive procurements must be made through an electronic tendering system that is readily accessible by all Canadian suppliers such as the Ontario Tenders Portal.
- Response times for suppliers to bid must be a minimum 15 days for procurements valued at \$100,000 or more. Consideration should be given to providing suppliers a minimum response time of 30 calendar days for procurements of high complexity, risk, and/or dollar value.
- The contract must be finalized using the form of agreement that was released with the procurement documents. In circumstances where an alternative procurement strategy has not been used (i.e. a form of agreement was not released with the procurement document), the agreement between the Agency and the successful supplier must be defined formally in a signed written contract before the provision of supplying goods or services commences.
- The term of the agreement and any options to extend the agreement must be set out in the competitive procurement documents. An approval by an appropriate authority must be obtained before executing the document. Extending the term of agreement beyond that set out in the competitive procurement document amounts to non-competitive procurement where the extension affects the value and/or stated deliverables of procurement.

Conflict of Interest

The Society must monitor any conflict of interest that may arise as a result of any employee or other organization member, advisor, supplier or other stakeholder's involvement with the supply chain activities. Individuals involved with supply chain activities must declare actual or potential conflicts of interest. Where a conflict arises, it must be evaluated and appropriate mitigating action taken.

Retention of Procurement Documentation

For reporting and auditing purposes, all procurement documentation, as well as any other pertinent information must be retained in a recoverable form for a period of seven years. Upon completion of any Invitational or Competitive process all procurement documentation shall be forwarded to the Accounting department.

The Society shall handle, store and maintain supplier confidential and commercially sensitive information. Staff handling and having access to this information are aware of the Society's requirement to protect commercially sensitive information.

Approval Authority Schedule (AAS) for procurement of goods and services

Spending shall be in accordance with the approval levels set out below. Spending shall occur within the overall budget approved by the Board of Directors. Spending on amounts not included in the budget shall be approved by the Board of Directors where dictated by approval levels.

Amount	Approval Authority
Up to \$1,000	Supervisors
Up to \$10,000	Managers
Up to \$50,000	Directors
Up to \$100,000	Executive Director
Over \$100,000	Board of Directors

Notwithstanding the above, Supervisors may approve mileage claims up to \$2,000.

Prior to the commencement, any procurement of goods and services must be approved by an appropriate authority in accordance with the above schedule.

Prior to the commencement, any non-competitive procurement of goods or services must be approved by an authority one level higher than indicated on the above schedule.

Related links: [Broader Public Sector Accountability](#), [Broader Public Sector Procurement Directive](#), [Ontario Tenders Portal](#)

Original Approval Date:

Approved By: Senior Management

Revised Approval Date: November 23, 2016

Approved by: Senior Management