

# BUSINESS AND BOARD ADMINISTRATION

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## PURCHASING PROCEDURES

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### 1. Policy

It is the policy of Lakehead District School Board to ensure that all goods and services are procured at the most economical value with consideration given to price, quality, quantity, delivery, market trends and environmental concerns in compliance with federal and provincial directives, policies, and regulations. The primary objective is to obtain maximum value for public funds expended through a process that ensures that all qualified vendors are treated fairly and that the Board's character values are upheld. Clear procedures for competitive procurement and contracting will enable the efficient execution of supply chain tasks, mitigate risk, and help the Board meet its operational, financial, and accountability obligations.

### 2. Segregation of Duties

To increase accountability within Lakehead District School Board, effective control is achieved with the delegation of authority and segregation of duties across functions and individuals. Roles and responsibilities for each procurement function are illustrated below.

Roles	Explanation	Who
Requisition	Forwarded to purchasing department for acquisition purposes	Initiated by the person requesting goods or services
Budget	Authorize that funding is available to cover the cost of the order	Budget is authorized and approved by the Board on an annual basis. Allocated to school administrators and department managers. Requisitions approved on-line by budget holders
Commitment	Authorize release of the order to the supplier under agreed-upon contract terms	purchasing department
Receipt	Authorize that the order was physically received, correct and complete	Person or department responsible for the receipt of the goods or service
Payment	Authorize release of payment to the supplier	accounts payable

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3. Approval Authority Limits (including Taxes, shipping, etc.)

Total Purchase Amount	Delegated Purchasing Authority Level
<\$49,999	principal, manager, supervisor or designate
\$50,000 - \$250,000	superintendent or designate
>\$250,000	Board of Trustees, director of education or designate

4. Dollar Limits and Process Requirements (including Taxes, shipping, etc.)

- 4.1 Purchases are to be made in accordance with the following guidelines based on dollar values. No contract or purchase shall be divided to avoid the requirements of these procedures. Dollar values are determined by the total contract including optional years or total project requirements.
- 4.2 When special or additional funding, including school generated funds from any and all sources for approved projects or programs has been allocated, and the respective superintendent, principal or manager is ready to initiate the procurement process, Purchasing shall be consulted for guidance regarding process. Dollar limit process requirements are also applicable to this type of funding.
- 4.3 Purchases made by all staff in the name of *Lakehead District School Board* without using an authorized purchase process will be considered an obligation of the person making the purchase and not an obligation of the Board.

### Goods and Non-Consulting Services and Construction

Total Purchase Value	Procedures
< \$3,000	petty cash, P-card, payment request guidelines – within the accounting/purchasing processes
> \$3,000 < \$10,000	one to three verbal or written quotes where feasible – purchase order required
> \$10,000 < \$50,000	three written quotes with the guidance of and reviewed by the purchasing department - purchase order required
> \$50,000 < \$100,000	tender - Formal Invitational Competitive Procurement (minimum of three bids where possible) initiated by the purchasing department - purchase order required
> \$100,000	Open Competitive Procurement - initiated by the purchasing department – purchase order required

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### Consulting Services

Total Purchase Value	Procedures
> \$0 < \$50,000	three written quotes with the guidance of and reviewed by the purchasing department – purchase order required
> \$50,000 < \$100,000	Request for Proposal – Formal Invitational Competitive Procurement (minimum of three bids where possible) initiated by the purchasing department – purchase order required
> \$100,000	Open Competitive Procurement – initiated by the purchasing department – purchase order required

- 4.4 There may be exemptions for the requirement of a purchase order, as listed in Appendix D.
- 4.5 Regardless of dollar value, the purchasing department may request copies of any or all quotations for the files.
- 4.6 The supervisor of financial services shall be permitted discretion to recommend and issue a formal Competitive Procurement Process, regardless of the amount of money involved if deemed to be in the best interest of the Board.
- 4.7 The supervisor of financial services shall be permitted discretion in the number of competitive bids to be obtained regardless of dollar value if the item is urgently required, there is a single or sole source of supply, a particular item is specified for replacement programs or replacement parts, or where program funding is available for a limited period of time.

## 5. Related Guidelines

Lakehead District School Board's competitive purchasing activities are governed by legislation and other trade agreements. In addition to Supply Chain Management Guidelines, Procurement Policies and Procedures prepared by the Ministry of Finance have been harmonized with the following:

- 5.1 Canadian Free Trade Agreement (CFTA) - regulates trade between the provinces to ensure equal access to public sector procurement for all Canadian suppliers. Thresholds are as follows for competitive processes which would include using electronic tendering system, advertisements in daily newspaper or other source lists: Goods and Services +\$105,700; Construction +\$264,200.
- 5.2 Ontario-Quebec Procurement Agreement – Similar to the CFTA, the Ontario-Quebec Procurement Agreement regulates trade between Ontario and Quebec to ensure equal

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access to public sector procurement for local suppliers. Thresholds are as follows:  
Goods and Services +\$100,000; Construction +100,000.

5.3 Canadian Law of Competitive Process and Contract Law

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When the purchasing department initiates a competitive procurement tender, the law of competitive processes applies. Contract “A” is formed when bids are received. Board staff must take special care understanding the implications of contract formation. A breach may occur if the Board were to provide information or change the specifications, enter into negotiations with any bidder or deviate from the process described in the bid documents, during the competitive process.

When an award of the competitive process is made, Contract B is formed whereby the Board enters into a contractual agreement with a supplier. The agreement creates obligations on both parties and is subject to applicable contract law.

5.4 Municipal Freedom of Information and Protection of Privacy Act (MFIPPA)

The purpose of MFIPPA is to ensure boards are accountable to the public and to protect personal privacy. MFIPPA provides the public with a right of access to records within the Board’s custody and also prevents the unauthorized collection, use and disclosure of personal information. All notes, e-mails, memos, letters or any documentation relating to a competitive procurement process are subject to MFIPPA requests. Freedom of Information requests can be made for information on tendering and the administration of contracts.

6. Criteria to Determining the Supply Chain Management Process

The supervisor of financial services, in consultation with the initiating superintendent, principal or manager, shall consider the following criteria in determining the purchasing process to be followed for goods and services.

- 6.1 Where the goods or service can be specified, the Request for Quote or Tender process shall apply.
- 6.2 Where only the need can be specified rather than the specific product or service to fill the need, the Request for Proposal process shall apply. The proposal process may include the process of pre-qualification.
- 6.3 Where professional or consulting services are being requested, the Request for Proposal process shall apply.
- 6.4 Non-competitive procurement (exemption from the Competitive Process).

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7. Non-Competitive Procurement Processes (exemptions from the Competitive Process)

7.1 In certain unique circumstances, the Board will not have the ability to go through a competitive process activity. The purchasing department would then go directly to one supplier to meet the requirements of the Board, providing that it does not do so for the purposes of avoiding competition between suppliers or to discriminate against suppliers.

Sections 7.3 and 7.4 outline the applicable exception clauses.

7.2 A discretionary form (Appendix A) justifying a direct award decision must be completed by the manager/principal/designate and submitted for appropriate approval by the superintendent of business and the supervisor of financial services. All discretionary purchase forms will be kept on file in the purchasing department for audit purposes.

There are three main types of direct awards:

7.3. Single Sourcing is 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. This process is allowable:

7.3.1 When an unforeseen emergency situation arises involving the safety of persons, protection of property or the prompt restoration of service to minimize interruption of Lakehead District School Board activities. Failure to plan and allow sufficient time for a competitive procurement process does not constitute an unforeseeable situation of urgency.

7.3.2. Where goods or consulting services regarding matters of confidentiality or privileged nature are to be purchased and the disclosure of those matters through open competition could reasonably be expected to compromise confidentiality.

7.3.3. In the absence of a receipt of any bids in response to a call for proposals or tenders.

7.4 Sole Sourcing is the use of a non-competitive procurement process to acquire goods or services where there is only one available supplier for a particular product or highly specialized skill. This process is allowable:

7.4.1 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.

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- 7.4.2 Where there is an absence of competition for technical reasons and that the goods or services can only be supplied by a particular supplier and no alternative or substitute exists.
- 7.4.3 For the purchase of goods on a commodity market.
- 7.4.4 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.
- 7.4.5 For the procurement of subscriptions to newspapers, magazines or other periodicals.
- 7.4.6 For the procurement of real property.
- 7.4.7 For the procurement of goods or services the supply of which is controlled by a supplier that is a statutory monopoly.
- 7.4.8 For a contract to be awarded to the winner of a design contest.
- 7.4.9 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.
- 7.4.10 For the purchase of goods under exceptionally advantageous circumstances such as bankruptcy or receivership, but not for routine purchases.
- 7.4.11 For the procurement of original works of art.
- 7.4.12 For work to be performed on or about a leased building or portions thereof that may be performed only by the lessor.
- 7.5 Purchase by Negotiation shall apply when, in the judgment of the purchasing department, in consultation with the initiating superintendent, manager, or principal, any of the following conditions exist:
- the extension or revision of an existing contract would prove more cost effective or beneficial – any extension must be approved using a Contract Extension Approval form;
  - due to market conditions, goods are in short supply;
  - there is only one known source of the goods or service;
  - the lowest bid received substantially exceeds the estimated budget;
  - all bids received fail to comply with the specifications, tender terms and conditions, and it is not practical to recall tenders; and

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- when only one bid is received through the tendering system.

## 8. Competitive Procurement Processes

### 8.1 Request For Quotation (RFQ)

Used for purchases that are estimated to be greater than \$10,000 and less than \$50,000. RFQ is a more informal method of solicitation in that the bids are not required to be sealed. A minimum of three written quotes are required. A RFQ usually focuses the evaluation criteria on price and delivery.

### 8.2 Request For Tender (RFT)

Used for purchases where the goods or services can be specified and are estimated to be greater than \$50,000 and less than \$100,000. The RFT is a formal method of solicitation in that sealed bids are required. An RFT usually focuses the evaluation criteria predominantly on price and delivery requirements.

### 8.3 Request For Proposal (RFP)

Used where the product or service cannot be specified, but the need, problem or goal is identified. Bidders must support their proposal by describing their relevant experience and capabilities, qualification and solution to our need. The proposals are evaluated on a technical and cost merit. This process uses predefined evaluation criteria in which price is not the only factor.

### 8.4 Request For Expression of Interest (RFEI) or Request For Information (RFI)

Used for gathering information from potential suppliers as to how they would deal with a certain scenario or problem, and determine the interest level of suppliers in participating in a procurement process. It can lead to a formal competitive process. A response to an RFEI or RFI does not pre-qualify a potential supplier and does not influence their chances of being the successful bidder on any subsequent opportunity. No Contract A (bid contract) or Contract B (performance contract) will be formed between the Board and the respondents. Electronic tendering methods may be used to reach a large population when seeking information.

### 8.5 Request for Supplier Qualifications (RFSQ)

The Board, at its discretion, may pre-qualify potential bidders based on criteria appropriate to the service, supply or construction requirements. The purpose is to gather information on supplier capabilities and qualifications with the intention of:

- i) using a pre-qualified suppliers list to respond to a purchasing competition; and

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- ii) pre-qualifying suppliers who are interested in supplying materials or services in the future. The result of this procedure is a Vendor of Record (VOR) or a preferred suppliers list.

The RFSQ will contain specific language to disclaim any obligation on the part of the Board to actually call on or award a contract to any supplier as a result of the pre-qualification to supply such goods or services.

#### 8.6 Co-Operative Purchasing

Lakehead District School Board is a member of the Lakehead Purchasing Consortium (LPC) and will participate in a group competitive process whenever it is in the best interests of the Board. The Board will encourage cooperative purchasing with other units of government or their agencies of public authorities or utilize a “piggy-back” clause to existing Ministry or Government Services Contracts, Ontario Education Collaborative Marketplace or other cooperatives.

### 9. Competitive Procurement Documents

- 9.1 For an open competitive process, Lakehead District School Board will develop documents that contain an explanation of the organization’s requirements, time lines of the bidding process, the selection process and tie score process, conflict of interest and dispute resolution processes, vendor debriefing process, cancellation/termination clauses and submission rules to be followed.
- 9.2 Evaluation criteria and methodology will be developed, reviewed, and approved before the competitive process begins. These criteria and sub-criteria will be included in the competitive documents. The document must identify those criteria that are considered mandatory. Mandatory requirements are those requirements that, if not met, will cause a bid to be rejected. Evaluation criteria may only be altered by means of an addendum to the document.
- 9.3 The method to resolve a tie score will be identified in the evaluation criteria of a Request for Proposal. This may differ for each procurement, depending on what is most appropriate. Tie-break processes may include supplier presentations and demonstrations, reference checks, site visits to supplier locations, and negotiations.
- 9.4 A contact person will be named in the document to answer any questions. Lobbying, during a competitive procurement call, is prohibited. This includes any communications with anyone other than the official point of contact from the time of issuance, up to and including the time of award. Any bidder who violates the lobbying prohibition will be subject to disqualification from the current or future procurements, at administration’s discretion.

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9.5 The term of the contract, including any options for renewal, will be stated in the document. The length of a contract will be determined in accordance with the guidelines set out in the Broader Public Sector (BPS) Procurement Directive. At the end of the contract term, the contract will be re-tendered through a competitive procurement process unless a discretionary purchase form has approved an extension.

10. Advertising of Procurement Requirements

10.1 Advertising of procurement requirements will be conducted through the purchasing department as determined by the supervisor of financial services based on the type of procurement methods and nature of the requirement. Methods of advertising can include newspaper advertisement, posting on the Lakehead District School Board purchasing website, posting on Bids & Tenders (an electronic tendering system accessible to all Canadian suppliers).

10.2 In compliance with the Canadian Free Trade Agreement (CFTA), all procurements with an estimated value of more than \$100,000 will be posted on Bids & Tenders.

11. Timelines for Posting Competitive Procurements

11.1 Bids valued at \$100,000 or more must be advertised for a period of 15 calendar days. The closing date will be on a normal working day (Monday to Friday, excluding provincial and national holidays). For procurements of high complexity, risk and/or dollar value, up to 30 calendar days will be considered.

11.2 The competition process begins when the procurement documents are issued and ends on the closing date, commonly referred to as the "blackout period". During the blackout period, all communications with suppliers will be through a contact person identified in the competitive document.

11.3 During the competitive period, documents may be clarified or modified through the use of an addendum or a question-and-answer (Q&A) response. Addenda and Q&A will be posted in the same manner as the competitive documents were advertised. Addenda must be issued at least seven days PRIOR to the closing date of the tender. Where an addendum must be issued within the last seven days of closing, the closing date will be extended accordingly.

12. Bid Amendment or Withdrawal

A bid may be amended or withdrawn prior to the bid closing date and time by written request to the supervisor of financial services. Repeated withdrawal of bids may be grounds for exclusion of participation in future Lakehead District School Board procurement processes. After the bid closing, the bid submission becomes the property of Lakehead District School Board and requests for return of a bid will not be granted. The Lakehead District School Board will return unused samples and exhibits at the supplier's request and expense.

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13. Bid Receipt

All bid submissions will be received electronically. Lakehead District School Board reserves the right to review all bids for compliancy and will make results available for bidders as soon as is practical following the tender closing in accordance with MFIPPA guidelines.

15. Evaluation Team

15.1 Where the competitive process warrants the requirement of an evaluation team, the team will be responsible for reviewing and scoring each bid. The evaluation team may be different for each competitive process, depending on the expertise required to make the decision. The evaluation team members will be selected and their participation confirmed before the competitive documents have been posted.

15.2 A representative of the purchasing department will facilitate the evaluation process and may also be an evaluator.

15.3 The Evaluator Handbook for Proposals (Appendix B) will be provided to each member of the evaluation team. Evaluation team members must be aware of the restrictions related to confidential information shared through the competitive process and refrain from engaging in activities that may create or appear to create a conflict of interest. Team members will be required to sign an Evaluator's Code of Conduct & Conflict of Interest Agreement (Appendix C).

15.4 Each member of the evaluation team must complete an evaluation matrix rating each bid submission. Records of the evaluation scores are subject to audit. Evaluators will be aware that everything they say or document must be fair, factual, and fully defensible and may be subject to public scrutiny.

16. Evaluation of Bids

16.1 Bids will be evaluated according to all relevant criteria contained in each bid document. The Board intends to evaluate based on price, product/service quality, past performance, delivery and payment terms or any combination or additions thereof at its sole discretion. Evaluation of bids may include compliance, skills/experience and capability, reference checks, interviews, and demonstrations.

16.2 The purchasing department reserves the right to evaluate pricing offered based on the combined total cost of the items tendered or separately.

16.3 The purchasing department is entitled to ask bidders for clarification on their bid as long as it does not change their bid in any way.

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- 16.4 Alternative strategies or solutions submitted with a bid, which were not requested in the original procurement document, will not be accepted unless an alternative was expressly requested.
- 16.5 Tie Bids – If identical low bids are received, the following options as deemed appropriate by the supervisor of financial services may be considered to break the tie:
- other weighted criteria;
  - prompt payment discount;
  - best delivery;
  - environmental initiatives offered; and
  - a coin toss (facilitated by the supervisor of financial services or designate, provided the identical low bidders agree and are present for the coin toss)
- 16.6 Where bids received exceed the budget amount, are not responsive to the requirements, or do not represent fair market value, a revised solicitation can be issued in an effort to obtain an acceptable submission. If no bids are acceptable and it is not reasonable to go through any other method, the Board may choose to negotiate directly with a chosen supplier.

17. Bid Irregularities/Mistakes/ Omissions and Rejection

- 17.1 Bid irregularities are a deviation from the bid request which affects the price, quality, quantity, or delivery and is critical to the award.
- 17.2 Irregularities that do not comply with the essential terms of the invitation and compromise the integrity of the bidding process, will be considered a major irregularity and will be rejected.
- 17.3 The purchasing department reserves the right to waive a minor irregularity if determined to have no financial implications to the bid. Minor irregularities may be accepted by requesting the bidder rectify the deviation within a specified time.
- 17.4 Bidders whose submissions are rejected will be notified of the rejection in writing as soon as practicable after completion of the evaluation, prior to the award.
- 17.5 The purchasing department reserves the right to reject a bid submission in view of current, pending or threatened litigation, arbitration, alternative dispute resolution or disputes involving the Board and the bidder.

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18. Contract Award

- 18.1 An award will be made to the compliant bidder with the highest score, who has met all mandatory requirements set out in the procurement document. Lakehead District School Board is not obligated to accept the lowest bid.
- 18.2 The award of any bid will be made in writing and may be subject to the successful bidder entering into a contract that is satisfactory Lakehead District School Board.
- 18.3 Unsuccessful bidders will be provided with the name of the successful bidder(s) and contract award amount or contract start and end dates including any options for extension as applicable. For purchases valued at \$100,000 or greater, Lakehead District School Board will post, in the same manner as the procurement documents were posted, the name(s) of the successful suppliers(s). The contract award notification will include the agreement start and end dates, including any options for extension.
- 18.4 A purchase order will be issued upon formal award.

19. Discrimination or Preferred Treatment in Contract Award

In compliance with CFTA, Lakehead District School Board will refrain from any discrimination or preferred treatment in awarding a contract to a supplier as a result of a competitive process. Lakehead District School Board will not give preferential treatment to any supplier(s) based on criteria such as company size or geographic location unless explicitly stated in the competitive documentation. Any preference stated in the competitive document must fall under the specific circumstances identified in the Ontario Ministry of Finance Supply Chain Guidelines.

20. Vendor Debriefing and Bid Protest Procedures

- 20.1 For purchases valued at \$100,000 or greater, Lakehead District School Board will inform all suppliers who participated in a procurement process of their entitlement to a debriefing. By written request to the supervisor of financial services, unsuccessful bidders will have an opportunity to book this meeting. The debriefing will provide the bidder with a critical review of the unsuccessful bid, and if what, in the opinion of Administration, were its particular strengths and weaknesses. In conducting vendor debriefings, Lakehead District School Board will not disclose information concerning other suppliers' bids as they may contain confidential third party organization proprietary information subject to the mandatory third party exemption under the MFIPPA. If a supplier makes such a request, the Board will advise the supplier that a formal Freedom of Information (FOI) request be submitted.
- 20.2 Questions unrelated to the procurement process must not be responded to during the debriefing and must be noted as out of scope.

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20.3 Where the provision of information is not satisfying, a bidder may request, in writing, a meeting with the supervisor of financial services including members of purchasing staff, if required, and the superintendent of business.

20.4 A record of all debriefings will be kept on file.

21. Vendor Suspension/Removal from Bidder's List

21.1 The purpose of vendor suspension is to uphold the integrity of Lakehead District School Board's bidding process and protect Lakehead District School Board from risks associated with awarding contracts to suppliers having exhibited an inability or unwillingness to fulfill contractual requirements.

21.2 The department, school or user group that orders goods or services provided by a supplier is responsible for evaluating vendor performance in the delivery of goods or services. Should a user experience problems with a vendor's performance, the specific details must be documented in writing and forwarded to the purchasing department. The purchasing department will determine the appropriate action.

21.3 The supervisor of financial services, with approval from the superintendent of business, has the authority to suspend a business from participating in any Lakehead District School Board solicitation process.

Steps leading to suspension will be as follows:

- i) discussion with the vendor and/or verbal warning;
- ii) written warning signed by the supervisor of financial services; and
- iii) written suspension signed by the supervisor of financial services and superintendent of business.

21.4 The suspension shall be for a period of no less than six months but not exceed three years.

21.5 In order for a vendor to modify or shorten the suspension period, supporting documentation must be submitted to the supervisor of financial services indicating:

- i) genuine change in the ownership and management of the business; and
- ii) elimination of the cause for which the suspension was imposed.

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- 21.6 Upon termination of the suspension period, suppliers shall be eligible to participate in the bidding process. No written notice will be sent to the supplier unless the period has been shortened.
- 21.7 If a supplier is suspended a second time for the same cause, the Board reserves the right to impose permanent suspension.
- 21.8 Suspension may occur for the following reasons:
- 21.8.1 Unsatisfactory performance, unless caused by acts beyond the control of the business.
- i) poor delivery or failure to delivery;
  - ii) failure to abide by contract terms and conditions;
  - iii) under or over shipments;
  - iv) providing damaged or defective goods;
  - v) making unauthorized substitutions;
  - vi) continuous billing errors;
  - vii) poor customer service and failure to respond promptly to service calls;
  - viii) poor quality or workmanship; and
  - ix) failure to meet specification.
- 21.8.2 Failure to respond to three consecutive requests for bid.
- 21.8.3 Conviction of the business or an officer or principal shareholder of the business for commission of a criminal offense in connection with obtaining, attempting to obtain, or performing a contract or subcontract.
- 21.8.4 Bid Collusion.
- 21.8.5 Bankruptcy or pending bankruptcy of the supplier.

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22. Contract Management

Procurements and the resulting contracts will be managed responsibly and effectively and will include but not be limited to the following requirements:

- 22.1 Payments will be made in accordance with provisions of the contract. All invoices must contain detailed information sufficient to warrant payment.
- 22.2 Supplier performance will be managed and documented and any performance issues will be addressed.
- 22.3 The responsibilities of both the Board and the successful supplier are defined in a signed written contract/purchase order before the provision for supplying goods or services commences.
- 22.4 Contracts will include appropriate cancellation or termination clauses.
- 22.5 Contracts will include extensions to the term of the agreement as set out in the procurement document
- 22.6 Extending the term of agreement beyond that set out in the competitive procurement document is considered a non-competitive procurement where the extension affects the dollar value. In such situations, approval authority will be obtained prior to proceeding with the extension.
- 22.7 For services, the Board will ensure that:
  - clear terms of reference are outlined in the procurement document. The terms shall include objectives, background, scope, constraints, staff responsibilities, tangible deliverables, timing, progress reporting, and approval requirements;
  - expense claim and reimbursement rules are compliant with the Broader Public Sector Expenses Directive and ensure that all expenses are claimed and reimbursed in accordance with these rules; and
  - ensure that expenses are claimed and reimbursed only where the contract explicitly provides for reimbursements of expenses.

23. Environmental Sourcing

Lakehead District School Board will consider environmentally responsible and sustainable products and services as part of the purchasing decisions. The requirement for environmentally friendly products will be evaluated for need, affordability and cost-effectiveness in the context of the organization's mandate and overall program objectives.

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24. Health and Safety

All products and services purchased through the competitive process will adhere to the Board's policy of acquiring and maintaining Material Safety Data Sheets on file.

25. Procurement Documents and Records Retention

All procurement documents, as well as any other pertinent information for reporting and auditing purposes must be maintained for a period of seven years and be in recoverable form if requested.

Confidential and commercially sensitive information is maintained in the procurement file in locked cabinets within the purchasing department. If transfer of the files is required prior to seven years, the documents are taken to the Board's secure archives and stored electronically. After seven years, the documentation is destroyed.

Confidential information may be shared with evaluation team members after an Evaluator's Code of Conduct & Conflict of Interest Agreement (Appendix C) is received by the supervisor of financial services.

26. Conflict of Interest

Lakehead District School Board must consider any conflict of interest during procurement activities, applicable to all employees, advisors, external consultants or suppliers. Lakehead District School Board will require any individual involved in supply chain-related activities to declare all actual or potential conflicts of interest on a Declaration of Conflict of Interest form, at the Board's request.

26.1 Suppliers – Lakehead District School Board will:

- i) define a conflict of interest that could give a supplier an unfair advantage during a procurement process or compromise the ability of a supplier to perform his obligations under the agreement;
- ii) reserve the right to solely determine whether any situation or circumstance constitutes a conflict of interest;
- iii) reserve the right to disqualify prospective suppliers from a procurement process due to a conflict of interest;
- iv) require prospective suppliers participating in a procurement process to declare any actual or potential conflict of interest;
- v) reserve the right to prescribe the manner in which a supplier should resolve a conflict of interest;

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- vi) reserve the right to terminate an agreement where a supplier fails to disclose any actual or potential conflict of interest or fails to resolve its conflict of interest as directed by the organization; and
- vii) reserve the right to terminate an agreement where a conflict of interest cannot be resolved.

26.2 Consultants – Lakehead District School Board will:

- i) require all consultants bidding on a competition to sign a Declaration of Conflict of Interest form; and
- ii) ensure that any consultant involved in developing the competitive documents cannot be involved in the creation of the response to those competitive documents.

26.3 Employees

Lakehead District School Board acknowledges that there may be conflicts of interest where their own employees may be involved. In cases where employees or trustees are expected to declare a conflict of interest, Lakehead District School Board will request that a Conflict of Interest Declaration be signed. The employee is ultimately responsible and accountable for using good judgment in the exercise of the organization’s duties and must disclose any conflict of interest.

27. Disposal of Surplus Furniture & Equipment

27.1 The purchasing department will be notified of any surplus or obsolete equipment and supplies and with the user department shall determine the most advantageous method of disposal.

27.2 Surplus may be disposed of in any one or more of the following processes:

- i) items made available to the schools and departments prior to being sold;
- ii) public auction;
- iii) advertised public sale by sealed bid tender process. Items are sold through a fair public process. The public is defined as parents, students and staff of the Board or the community at large. All items will be sold on an “as is” basis. A reserve price may be established, published and disclosed;

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- iv) donated to a charitable organization;
- v) traded in against the purchase of usable material;
- vi) sold to salvage or scrap dealer;
- vii) disposal to landfill site; and
- viii) disposal through a recycling program.

27.3 Items worth \$250 or less may be disposed of by a school or department. In the event that a school/department has a series of items that are individually less than \$250, but in aggregate have a value greater than \$1,500, the purchasing department must be consulted.

27.4 Proceeds from all sales will be utilized to cover the costs incurred for the disposal of the items.

28. Review

These procedures shall be reviewed in accordance with Policy Development and Review Policy 2010.

<u>Cross Reference</u>	<u>Date Approved</u>	<u>Legal Reference</u>
Policy 3030 <i>Policy &amp; Procedures 8012</i>	September 1977  <u>Date Revised</u> September 22, 1998 January 11, 2005 September 28, 2010 November 22, 2011 March 23, 2021	