

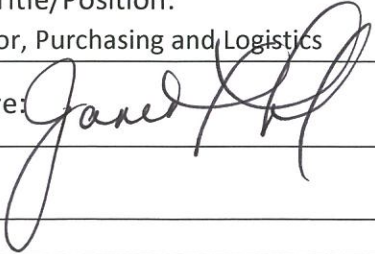
Document Name: Sourcing and Procurement Policy	
Effective Date: October 1, 2017	Original Date: April 2010 Revision Dates: March 2023
Authorizing Physician –	Author Title/Position: Supervisor, Purchasing and Logistics
Approved by: Director of Facilities, Procurement and Support Services	Signature: 

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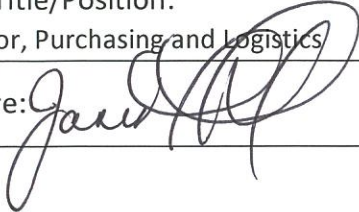
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Appendix 1 - Definitions

For internal use only at Health Care Centre (HHCC). Persons holding a hard copy of this document should refer to the electronic version posted on the HHCC Intranet to ensure that this copy remains current.



Document Name: Sourcing and Procurement Policy	Section 1: Purpose of Broader Public Sector (BPS) Directive
Effective Date: October 1, 2017	Original Date: April 2010 Revision Dates: March 2023
Authorizing Physician –	Author Title/Position: Supervisor, Purchasing and Logistics
Approved by: Director of Facilities, Procurement and Support Services	Signature: 

Policy Statement:

The BPS Directive contains the Supply Chain Code of Ethics (Code), which sets out supply chain principles of conduct for HHCC suppliers and other stakeholders and is to be followed by all HHCC employees and contract personnel or consultants engaged by Headwater.

Policy Objective:

To ensure that HHCC implements ethical, efficient and accountable purchasing activities on a day-to-day basis.

Purpose of the BPS Directive

Ensure that publicly funded goods and services, including construction, consulting services and information technology, are acquired by BPS organizations through a process that is open, fair and transparent.

Outline responsibilities of BPS organizations throughout each stage of the procurement process.
Ensure that procurement processes are managed consistently throughout the BPS.

To ensure that procurement processes are managed consistently throughout the BPS.

Directive Principles

The Directive is based on five key principles that allow Organizations to achieve value for money while following procurement processes that are fair and transparent to all stakeholders.

Accountability

Organizations must be accountable for the results of their procurement decisions and the appropriateness of the processes.

Transparency

Organizations must be transparent to all stakeholders. Wherever possible, stakeholders must have equal access to information on procurement opportunities, processes and results.

Value for Money

Organizations must maximize the value they receive from the use of public funds. A value-for-money approach aims to deliver goods and services at the optimum total life-cycle cost.

Quality Service Delivery

Front-line services provided by Organizations, such as teaching and patient care, must receive the right product, at the right time and in the right place.

Process Standardization

Standardized processes remove inefficiencies and create a level playing field.

Key Definitions

“Goods and services” mean any goods, construction and services, including but not limited to information technology (IT) and consulting services.

“Members of an Organization” means all trustees, members of the board of directors, senior executives and employees of the Organization, or their equivalent.

“Organization” means every organization that is in scope for the purposes of the Directive.

“Supply Chain Activities” means all activities directly or indirectly related to the Organization’s plan, source, procure, move and pay processes.

“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; and

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

Exemptions, Exceptions and Non-Applications under trade Agreement

Where an exemption, exception or non-application clause exists under the Canada Free Trade Agreement or other trade agreement, Organizations may apply this clause when conducting procurement.

An organization asserting that procurement is subject to an exemption, exception or non-application clause under a trade agreement must formally establish applicability of this clause.

Organizations are required to comply with any amendments to applicable trade agreements approved after release of the Directive.

Value of Procurement

When determining the value of a procurement for approval purposes as outlined in the BPS Directive, Organizations should not take into consideration applicable sales taxes.

Buying Groups, Group Purchasing Organizations (GPOs) & Shared Service Organizations (SSO)

Collaborative procurement is a coordinated event that facilitates purchasing on behalf of multiple organizations.

Collaborative procurement may be facilitated through (but not limited to) Buying Groups, Group Purchasing Organizations (GPOs) and Shared Service Organizations (SSOs).

The goals of these organizations are to

- 1) leverage the increased buying power of aggregating total spend with other organizations;
- 2) standardize processes by streamlining through one centralized buying organization;
- 3) minimize risks and improve process controls; and
- 4) generate savings/efficiencies that benefit the collective participants.

Buying Groups and GPOs include two or more members that combine the purchasing requirements and activities of the members into one joint procurement process. These organizations may represent cooperative arrangements in which individual members administer the procurement function for specific contracts for the group or more formal corporate arrangements in which the organization administers procurement for group members. Both Groups may involve a variety of entities, including public-sector, private-sector and not-for-profit organizations. Typically, group purchasing organizations have an established governance and membership framework, while buying groups may adopt a less formal governance and membership structure.

An SSO is an independent non-profit organization that leverages the collective purchasing power of its members to obtain optimum total life-cycle cost from suppliers. It also provides back-office services (such as strategic sourcing, procurement, accounts payable and logistics) that help to achieve process efficiencies.

Organizations that participate in group purchasing activities through buying groups, GPOs or SSOs must ensure that the activities of these entities are carried out in a manner consistent with the Directive.

Supply Chain Code of Ethics

The Directive contains the Supply Chain Code of Ethics (Code), which sets out basic overarching supply chain principles of conduct for Organizations, their suppliers and other stakeholders.

The Code defines acceptable behaviors for individuals involved with Supply Chain Activities. The Code does not supersede codes of ethics that Organizations may have in place but supplements such codes with supply chain-specific standards of practice.

Adoption of the Code

HHCC must formally adopt the Code in accordance with their governance processes. The intent is to clearly establish that the conduct of all Members of an Organization involved with Supply Chain Activities must be in accordance with the Code.

The Code must be available and visible to the Members of an Organization, suppliers and other stakeholders involved with Supply Chain Activities.

Supply Chain Code of Ethics

Personal Integrity and Professionalism

Individuals involved with Supply Chain Activities must act, and be seen to act, with integrity and professionalism. Honesty, care and due diligence must be integral to all Supply Chain Activities within and between BPS organizations, suppliers and other stakeholders. Respect must be demonstrated for each other and for the environment. Confidential information must be safeguarded. Participants must not engage in any activity that may create, or appear to create, a conflict of interest, such as accepting gifts or favors, providing preferential treatment, or publicly endorsing suppliers or products.

Accountability and Transparency

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

Compliance and Continuous Improvement

Individuals involved with purchasing or other Supply Chain Activities must comply with this Code of Ethics and the laws of Canada and Ontario. Individuals should continuously work to improve supply chain policies and procedures, to improve their supply chain knowledge and skill levels, and to share leading practices

Supply Chain Code of Ethics Compliance Checklist

Supply Chain Code of Ethics Compliance Checklist

This checklist is designed to assist Organizations to determine whether they have successfully adopted the key elements of the Code.

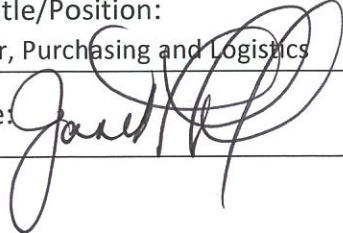
The Code:

- Is formally endorsed by the board of directors or its equivalent in accordance with the Organization's governance structure.

Is distributed to all Members of an Organization involved with Supply Chain Activities, including but not limited to individuals from such departments as:

- Procurement;
 - Purchasing;
 - Materials/Inventory Management;
 - Planning;
 - Logistics/Distribution; and
 - Accounts Payable
-
- Is communicated to all individuals outside the above departments who are involved with purchasing and other supply chain-related activities, such as requisitioning or supplier or product evaluation.
 - Is visible in procurement departments or their equivalent.
 - Is easily accessible in an electronic format to all Members of an Organization, suppliers and other stakeholders of the Organization.



Document Name: Sourcing and Procurement Policy	Section 2: BPS – Mandatory Requirements
Effective Date: October 1, 2017	Original Date: April 2010 Revision Dates: March 2023
Authorizing Physician –	Author Title/Position: Supervisor, Purchasing and Logistics
Approved by: Director of Facilities, Procurement and Support Services	Signature: 

Policy Statement:

All HHCC staff, physicians, board members, volunteers, students, and contractors who have a role in corporate procurement processes and decisions must comply with the HHCC procurement process in congruence with the BPS Procurement Directives. Competitive procurement processes are coordinated by the SSW for all in scope purchases. Competitive procurement processes are coordinated by Supply Chain for all other purchases (pharmacy, food, professional services, and redevelopment).

Policy Objective:

Mandatory requirements ensure that Organizations conduct procurement-related Supply Chain Activities in an open, fair and transparent manner.

Benefits

The mandatory requirements enable HHCC to:

- Focus on value for money.
- Ensure the fairness, transparency and accountability of the procurement process.
- Eliminate redundant and low value-added activities throughout the procurement cycle.
- Provide internal customers, suppliers and other stakeholders with a clear path for conducting supply chain-related activities, thus improving customer confidence and satisfaction.
- Reduce business risk and the potential for conflicts internally with colleagues and externally with trading partners.
- Make procurement decisions defensible when facing trade or legal challenges or public criticism.
- Provide all Members of an Organization with clear directions and expectations, thus improving productivity and morale.

- Establish consistent processes related to working with suppliers, thus enhancing mutual trust and enhancing relationships.

Implementation of the Mandatory Requirements of the Directive

To achieve compliance with the mandatory requirements, HHCC should communicate to the Members of the Organization, suppliers and other stakeholders, the rationale and benefits of implementation. There are four key factors for ensuring compliance:

- **Support**

Review the mandatory requirements with key stakeholders, including the Members of an Organization and internal customers before they are implemented;

- **Communicate**

Regularly communicate the mandatory requirements as well as the benefits of their implementation to all key stakeholders.

Monitor

Implement appropriate mechanisms to ensure that Members of an Organization are complying with the mandatory requirements; and

Follow-up

Regularly solicit feedback from key stakeholders regarding the existing organizational policies and procedures.

HHCC should regularly review and improve their procurement policies and procedures.

Related Requirements

HHCC must conduct procurement activities according to the law in Ontario, including contract law, law of competitive processes, privacy legislation, accessibility legislation and any other applicable legislation.

HHCC is subject to various trade agreements including, but not limited to, the Canadian Free Trade Agreement and the Ontario–Quebec Trade and Cooperation Agreement (Ontario–Quebec Agreement).

Ontario Law

When conducting procurement, HHCC should understand OUR obligations. Individuals engaged in Supply Chain Activities on behalf of HHCC must be aware of the applicable laws and the importance of professional conduct. Where necessary, HHCC should seek legal advice on procurement.

Contract Law

Contract law applies to all agreements between HHCC and a supplier. Subject to the requirements of contract law, parties are able to negotiate the terms of their agreement to suit their business purposes.

Law Of Competitive Processes

Depending on the terms of an agreement between an organization and a supplier, the law of competitive

processes may apply. The solicitation and the receipt of tenders or proposals may result in the formation of a bid contract (also called Contract A) that governs how the Organization awards the work contract (also called Contract B) to a supplier. Glossary of Acronyms.

Privacy legislation

The Freedom of Information and Protection of Privacy Act (FIPPA) and Personal Health Information and Protection of Privacy Act (PHIPPA) make public bodies accountable to the public and protect personal privacy. The privacy legislation stipulates a right of access to records held by public bodies and regulates how public bodies manage personal information.

Individuals engaged in Supply Chain Activities on behalf of HHCC should be aware of the implications of the Freedom of Information (FOI) requirements of FIPPA and the resulting importance of professional conduct. Freedom of Information requests can be made for information on tendering and administration of contracts.

Accessibility Legislation

Individuals engaged in procurement activities on behalf of HHCC should be aware of and ensure procurement processes comply with the requirements of the Accessibility for Ontarians with Disabilities Act, 2005 (AODA).

Trade Agreements

HHCC must follow provisions of applicable trade agreements. Where these trade agreements do not require HHCC to conduct procurement through a competitive process, HHCC is strongly encouraged to utilize a competitive approach to procurement.

HHCC is required to comply with any amendments to applicable trade agreements approved after release of the Directive.

Canadian Free Trade Agreement (CFTA)

The Governments of Canada, Ontario, Quebec, Nova Scotia, New Brunswick, Manitoba, British Columbia, Prince Edward Island, Saskatchewan, Alberta, Newfoundland and Labrador, the Northwest Territories, Yukon, and Nunavut,

RESOLVE to:

PROMOTE an open, efficient, and stable domestic market for long-term job creation, economic growth, and stability;

REDUCE AND ELIMINATE, to the extent possible, barriers to the free movement of persons, goods, services, and investments within Canada;

PROMOTE equal economic opportunity for Canadians;

ENHANCE the competitiveness of Canadian business;

PROMOTE sustainable and environmentally sound development;

CONSULT on matters related to trade, investment, and labour mobility within Canada;

AND,

RECOGNIZING the diverse social, cultural, and economic characteristics of the provinces;

RESPECTING the legislative authorities of Parliament of Canada and the provincial legislatures under the Constitution of Canada;

CONFIRMING that this Agreement represents a mutually agreed balance of the Parties' rights and obligations

	Broader Public Sector
Goods and Services	\$100,000
Construction	\$250,000

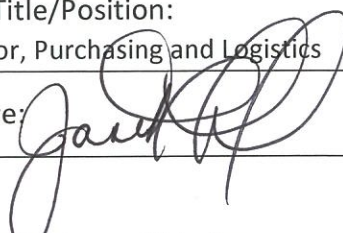
Ontario–Quebec Trade and Cooperation Agreement (Ontario–Quebec Agreement)

Organizations are subject to the 2009 Ontario–Quebec Trade and Cooperation Agreement which regulates trade between Ontario and Quebec to ensure equal access to public-sector procurement for respective local suppliers. Under the Ontario–Quebec Agreement, Organizations must make all procurement opportunities meeting or exceeding the following thresholds accessible to all Quebec suppliers.

	Broader Public Sector
Goods, Services and Construction	\$100,000

In the Directive, the threshold for construction is set to align with the lower of the two requirements as set by the Canada Free and the Ontario–Quebec Agreement respectively.



Document Name: Sourcing and Procurement Policy	Section 3: Segregation of Duties and Approval Authority Levels
Effective Date: October 1, 2017	Original Date: April 2010 Revision Dates: March 2023
Authorizing Physician –	Author Title/Position: Supervisor, Purchasing and Logistics
Approved by: Director of Facilities, Procurement and Support Services	Signature: 

Policy Statement:

Segregation of duties and delegation of authority are essential control mechanisms within the procurement process. They ensure integrity of the process by reducing exposure to inappropriate, unauthorized or unlawful expenditures.

Policy Objective:

HHCC must segregate at least three of the five functional procurement roles: Requisition, Budgeting, Commitment, Receipt and Payment. Responsibilities for these roles must lie with different departments or, at a minimum, with different individuals.

Where it is not feasible to segregate these roles, i.e., for smaller hospitals, adequate compensating controls approved by an external auditor must be put in place

BPS 10.3.1.1. Segregation of Duties

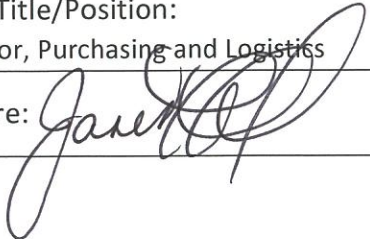
Segregation of Duties

Segregation of duties prevents any one person from controlling the entire purchasing process by segregating approvals through the key stages of the procurement process. There are five typical functional procurement roles that require segregated approval: requisition, budgeting, commitment, receipt and payment.

Roles	Responsibility	Accountable Party
Requisition	Authorize the procurement department to place an order	HHCC Requestor
Budget	Authorize that funding is available to cover the cost of the order	HHCC Budget Holder

Commitment	Authorize release of the order to the supplier under agreed contract terms	HHCC or Shared Services West (SSW) Purchasing role
Receipt	Authorize that the order was physically received, correct and complete	Physical goods: Receiving Department
Payment	Authorize release of payment to the supplier	HHCC Accounts Payable



Document Name: Sourcing and Procurement Policy	Section 4: Approval Authority for Procurement of Good and Services
Effective Date: October 1, 2017	Original Date: April 2010 Revision Dates: March 2023
Authorizing Physician –	Author Title/Position: Supervisor, Purchasing and Logistics
Approved by: Director of Facilities, Procurement and Support Services	Signature: 

Policy Statement:

HHCC must establish an approval authority schedule (AAS) for procurement of goods and non-consulting services. The AAS must identify, for each of the functional procurement roles identified in Section 7.2.1 of the BPS Directive, authorities that are allowed to approve procurements for different dollar thresholds. The AAS must be approved by the board of directors of the Organization or its equivalent.

Policy Objective:

Prior to commencement, any procurement of goods and non-consulting services must be approved by an appropriate authority in accordance with the AAS of the Organization.

Prior to commencement, any non-competitive procurement of goods or non-consulting services must be approved by an authority one level higher than the AAS requirements for competitive procurement.

Consulting Services

Prior to commencement, any procurement of consulting services must be approved in accordance with the Procurement Approval Authority Schedule for Consulting Services.

All Procurements

HHCC must not reduce the overall value of procurement (e.g., dividing a single procurement into multiple procurements) in order to circumvent the approval requirements of the organizational AAS.

The table below represents an example of the commitment AAS, which outlines authorities that may be authorized to commit an organization to a procurement. The dollar thresholds and purchasing authority levels are shown for illustrative purposes only.

Commitment Approval Authority Schedule	
Total Procurement Amount	Delegated Purchasing Authority Level
\$0 up to but not including \$10,00	Manager
\$10,000 up to but not including \$50,000	Director
\$50,000 up to but not including \$250,000	Vice-President
\$250,000 up to but not including \$1,000,000	President/CEO or equivalent
\$1,000,000 or more	Board of Directors

Consulting Services

Non-competitive procurement of consulting services is allowed only under the circumstances outlined in Section 10.3.4. BPS Directive.

HHCC must not conduct non-competitive procurement of consulting services without documenting the decision and obtaining the appropriate approvals.

Prior to commencement, any procurement of consulting services must be approved in accordance with the Procurement Approval Authority Schedule for Consulting Services below (i.e., approval from the Board of Directors, President, CEO, or equivalent). Procurement approvals cannot be delegated to a lower organizational level.

Procurement Approval Authority Schedule (AAS) for Consulting Services		
Procurement Method	Procurement Value	Approval Authority
Invitational Competitive	\$0 up to but not including \$100,000	Organization's AAS for goods and non-consulting services
Open Competitive	Any value	Organization's AAS for goods and non-consulting services

Competitive Procurement

Invitational Competitive Procurement

Invitational competitive procurement is the contractual acquisition (purchase or lease) by SSW on behalf of HHCC for any goods or service, which enables some but not all suppliers to compete in a fair and open environment. SSW on behalf of HHCC will conduct invitational competitive procurement by inviting three or more qualified suppliers to submit written proposals to supply goods or services as specified by the HHCC.

Open Competitive Procurement

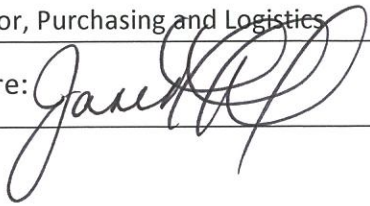
Open competitive procurement is the contractual acquisition (purchase or lease) by SSW on behalf of HHCC for any goods or service, which enables all suppliers to compete in a fair and open environment.

Open competitive procurement ensures the highest level of fairness, impartiality, and transparency; it maximizes suitability and the value for money of the obtained goods or services.

Non-competitive (Exemption-based only)

When appropriate approvals are received for a non-competitive procurement of consulting services, subsequent procurement activities should be consistent with the organization's segregation of duties as outlined in section 10.3.1.1 of the BPS Directive.



Document Name: Sourcing and Procurement Policy	Section 5: Competitive Procurement Thresholds
Effective Date: October 1, 2017	Original Date: April 2010 Revision Dates: March 2023
Authorizing Physician –	Author Title/Position: Supervisor, Purchasing and Logistics
Approved by: Director of Facilities, Procurement and Support Services	Signature: 

Policy Statement:

HHCC must conduct an open competitive procurement process where the estimated value of procurement of goods or services is \$100,000 or more.

Policy Objective:

HHCC must competitively procure consulting services irrespective of value.

Hospital Requisitioners must not reduce the overall value of procurement (e.g., dividing a single procurement into multiple procurements) in order to circumvent competitive procurement thresholds.

SSW on behalf of HHCC is strongly encouraged to utilize competitive methods for procurement of goods and non-consulting services with an estimated value of less than \$100,000.

The BPS Directive requires HHCC to establish and document rules of procurement of goods and non-consulting services with an estimated value of less than \$100,000. The table below provides an example of such rules; in the table, mandatory total procurement value limits and means of procurement are specified as “Required.”

Goods and Non-Consulting Services and Construction		
Total Procurement Value	Means of Procurement	Recommended/Required
\$0 up to but not including \$100	Petty cash	Recommended
\$2,500 up to but not including \$25,000	Purchase order	Recommended
\$25,000 up to but not including \$100,000	Invitational competitive	Recommended

\$100,000 or more	Open competitive	Required
Consulting Services		
Total Procurement Value	Means of Procurement	Recommended/Required
\$0 up to but not including \$100,000	Invitational/open competitive	Required
\$100,000 or more	Open competitive	Required

Procurement Planning

Procurement planning allows HHCC to determine:

- The goods and services necessary to meet business requirements.
- Opportunities to aggregate spend in order to create process efficiencies and maximize value for money.
- Potential supply sources.
- Procurement methods.
- The necessary approvals and timing of when these approvals will be needed.
- The overall time necessary to complete procurement process.

When conducting procurement planning, HHCC should target, among other objectives:

- Early identification of needs.
- Clear definition of requirements.
- Justification of the acquisition.
- Compatibility of procurement needs with legal and business requirements as well as internal policies and processes.

Information Gathering

Where results of informal supplier or product research are insufficient, formal processes such as a Request for Information (RFI) or Request for Expression of Interest (RFEI) may be used if warranted, taking into consideration the time and effort required to conduct them.

Request For Information (RFI)

An RFI may include targeted questions about the required goods or services to gather information about leading practices, recommendations, expertise, risks and additional questions from proponents. An RFI can also include a general description of a problem or need with a request to provide advice or an alternative solution in cases where the request may be focused on an innovative technological solution.

Request For Expressions of Interest (RFEI) An RFEI allows SSW on behalf of HHCC to gather information about supplier interest in an opportunity or information about supplier capabilities/qualifications. An RFEI may be used to clarify the ability of the supplier community to provide the necessary services or solutions

General Guidelines on Information Solicitation

A response to RFI or RFEI must not be used to pre-qualify a potential supplier and must not influence the chances of the participating suppliers from becoming the successful proponent in any subsequent opportunity

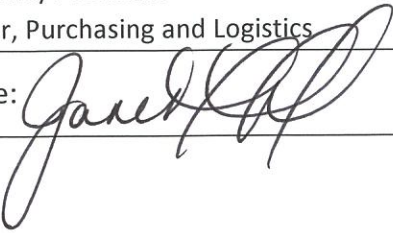
Where the results of informal supplier or product research are insufficient, formal information gathering processes may be used, if warranted, taking into consideration the time and effort required to conduct them.

Formal information gathering is beneficial in situations where Organizations have incomplete information about the required goods or services, or where Organizations lack information about the ability of the market to deliver these goods or services.

Information collected by means of formal information gathering allows Organizations to plan a cost-effective and fair procurement process. Formal information gathering allows Organizations to clearly define procurement requirements and identify the presence of qualified and/or interested suppliers.

Information Required	RFI	RFE
General supplier or product information	X	
Information about supplier interest in an opportunity		X
Information about supplier capabilities/qualifications		X



Document Name: Sourcing and Procurement Policy	Section 6: Non-Competitive Procurement Thresholds
Effective Date: October 1, 2017	Original Date: April 2010 Revision Dates: March 2023
Authorizing Physician –	Author Title/Position: Supervisor, Purchasing and Logistics
Approved by: Director of Facilities, Procurement and Support Services	Signature: 

Policy Statement:

The following HHCC Non-Competitive Threshold Policy is to be followed by HHCC employees and contract personnel or consultants engaged by HHCC.

Policy Objective:

Organizations should employ competitive procurement processes to achieve optimum value for money. It is recognized, however, that special circumstances may require Organizations to use non-competitive procurement. Organizations may use non-competitive procurement under the circumstances outlined in this section.

Non-Application Of Trade Agreements

Where a non-application clause exists under the Canada Trade Agreement or other trade agreement, Organizations may apply this clause as the basis for conducting non-competitive procurement. An Organization asserting that procurement is subject to a non-application clause under a trade agreement must formally establish applicability of this clause. As of April 1, 2011, the above-mentioned non-application clauses of the Canada Trade Agreement are outlined below. In accordance with Sections 6 and 10.2.3.6 of the Guidebook, Organizations are required to comply with any amendments to the trade agreements approved after release of the Directive.

Canada Free Trade Agreement

See Chapter Five – Government Procurement, Article 504 Scope and Coverage, #11 Non- Application

Exceptions From Competitive Procurements

Where an exception clause exists under the Canadian Trade Agreement or other trade agreement, Organizations may apply this clause as the basis for conducting non-competitive procurement.

An Organization asserting that procurement is subject to an exception clause under a trade agreement must formally establish applicability of this clause.

Organizations are required to comply with any amendments to the trade agreements approved after release of the Directive Evaluation of all new and replacement supplies, equipment and services will consider quality of care, cost, and standards. Key stakeholder participation in the process, including clinical, medical, and support staff and vendors is required. All goods and services purchased must be properly licensed or certified for their prescribed or intended use. Biomedical Services is available to consult regarding certifications.

APPENDIX B– Exemption Codes

(B) CFTA Exemption

CFTA is the acronym used to refer to the Canada Free Trade Agreement. Where an exemption, exception, or non-application clause exists under CFTA or other trade agreement, Organizations may apply this clause when conducting procurement.

- B1.** Acquisition or rental of land, existing buildings or other immovable property, or the rights thereon
- B2.** Measures necessary to protect intellectual property, provided that the measures are not applied in a manner that would constitute a means of arbitrary or unjustifiable discrimination between Parties where the same conditions prevail or are a disguised restriction on trade
- B3.** Financial services respecting the management of government financial assets and liabilities (i.e. treasury operations), including ancillary advisory and information services, whether or not delivered by a financial institution
- B4.** Health services and social services
- B5.** Services that may, under applicable law, only be provided by licensed lawyers or notaries
- B6.** Services of expert witnesses or factual witnesses used in court or legal proceedings
- B7.** Procurement of goods or services from philanthropic institutions, non-profit organizations, prison labour, or natural persons with disabilities
- B8.** Procurement of goods or services conducted for the specific purpose of providing international assistance, including development aid, provided that the procuring entity does not discriminate on the basis of origin or location within Canada of goods, services, or suppliers

B9. Procurement of goods, services and construction that is financed primarily from donations that are subject to conditions that are inconsistent with the CFTA

B10. Procurement of goods or services conducted under the particular procedure or condition of an international organization, or funded by international grants, loans, or other assistance, if the procedure or condition would be inconsistent with the CFTA.

Limited Tender

Organizations may conduct non-competitive procurement in the circumstances listed below (also known as single-source situations); provided that they do not do so for the purposes of avoiding competition between suppliers or to discriminate against suppliers.

Where an unforeseeable situation of urgency exists and the goods or services cannot be obtained in time by means of open procurement procedures.

APPENDIX A – Limited Tendering Exception Codes

A1. If no tenders were submitted or no suppliers requested participation

A2. If no tenders that conform to the essential requirements of the tender documentation were submitted

A3. If no suppliers satisfied the conditions for participation

A4. If the submitted tenders were collusive

A5. If the goods and services can be supplied only by a particular supplier and no reasonable alternative or substitute goods or services exist for any of the following reasons:

- (i) Requirement is for a work of art
- (ii) Protection of patents, copyrights or other exclusive rights
- (iii) Due to an absence of competition for technical reasons
- (iv) Supply of goods or services is controlled by a supplier that is a statutory monopoly
- (v) To ensure compatibility with existing goods, or to maintain specialized goods that must be maintained by the manufacturer of those goods or its representative
- (vi) Work is to be performed on property by a contractor according to the provisions of a

A7. For additional deliveries by the original supplier of goods or services that were not included in the initial procurement, if a change of supplier for such additional goods or services:

- (i) Cannot be made for economic or technical reasons such as requirements of interchangeability or interoperability with existing equipment, software, services or installations procured under the initial procurement; and
- (ii) Would cause significant inconvenience or substantial duplication of costs for the procuring entity

A8. If strictly necessary, and for reasons of urgency brought about by events unforeseeable by the procuring entity, the goods or services could not be obtained in time using open tendering

A9. Goods purchased on a commodity market

A10 If a procuring entity procures a prototype or a first good or service that is developed in the course of, and for, a particular contract for research, experiment, study, or original development. Original development of a first good or service may include limited production or supply in order to incorporate the results of field testing and to demonstrate that the good or service is suitable for

<p>warranty or guarantee held in respect of the property or the original work</p> <p>(vii) Work is to be performed on a leased building or related property, or portions thereof, that may be performed only by the lessor</p> <p>(viii) Subscriptions to newspapers, magazines or other periodicals</p> <p>A6. If goods or consulting services regarding matters of a confidential or privileged nature are to be purchased and the disclosure of those matters through an open tendering process could reasonably be expected to compromise government confidentiality, result in the waiver of privilege, cause economic disruption, or otherwise be contrary to the public interest</p>	<p>production or supply in quantity to acceptable quality standards, but does not include quantity production or supply to establish commercial viability or to recover research and development costs</p> <p>A11. For purchases made under exceptionally advantageous conditions that only arise in the very short term in the case of unusual disposals such as those arising from liquidation, receivership, or bankruptcy, but not for routine purchases from regular suppliers</p> <p>A12. If a contract is awarded to a winner of a design contest provided that: (i) the contest has been organized in a manner that is consistent with the principles of this Chapter, in particular relating to the publication of a tender notice; and (ii) the participants are judged by an independent jury with a view to a design contract being awarded to a winner.</p>
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Contract Management

Procurements and the resulting contracts must be managed responsibly and effectively.

Payments must be made in accordance with provisions of the contract. All invoices must contain detailed information sufficient to warrant payment. Any overpayments must be recovered in a timely manner. Assignments must be properly documented. Supplier performance must be managed and documented, and any performance issues must be addressed.

To manage disputes with suppliers throughout the life of the contract, Organizations should include a dispute resolution process in their contracts.

For services, organizations must:

- Establish clear terms of reference for the assignment. The terms should include objectives, background, scope, constraints, staff responsibilities, tangible deliverables, timing, progress reporting, approval requirements, and knowledge transfer requirements.
- Establish expense claim and reimbursement rules compliant with the Broader Public Sector Expenses Directive¹ and ensure all expenses are claimed and reimbursed in accordance with these rules.
- Ensure that expenses are claimed and reimbursed only where the contract explicitly provides for reimbursement of expenses.

Organizations must ensure that:

- The responsibilities of both the Organization and the successful supplier are defined in a signed written

contract before the provision for supplying goods or services commences; and

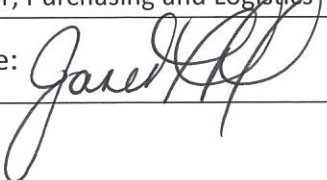
- Contracts include appropriate cancellation or termination clauses.

.Contracts include extensions to the term of the agreement as set out in the competitive documents.

Extending the term of agreement beyond that set out in the competitive procurement document amounts to non-competitive procurement where the extension affects value and/or stated deliverables of procurement. In such situations, approval from an appropriate authority must be obtained prior to proceeding with the extension. Organizations should coordinate, monitor and control efforts of the internal and external resources to ensure satisfactory completion of assignments on schedule and within budget.

When applicable, transfer of knowledge should occur from consultants to staff to avoid continuous reliance on consultants
Broader Public Sector Supply Chain Guidelines (SCG)



Document Name: Sourcing and Procurement Policy	Section 7: Employee Conflict of Interest
Effective Date: October 1, 2017	Original Date: April 2010 Revision Dates: March 2023
Authorizing Physician –	Author Title/Position: Supervisor, Purchasing and Logistics
Approved by: Director of Facilities, Procurement and Support Services	Signature: 

Policy Statement:

The following HHCC Health Care Centre (HHCC) Employee Conflict of Interest Policy is to be followed by HHCC employees and contract personnel or consultants engaged by HHCC. HHCC will ensure that the appropriate controls are incorporated to address any procurement conflict of interest issues.

Policy Objective:

To ensure that HHCC implements ethical, efficient and accountable sourcing, contracting and purchasing activities on a day to day basis.

Employee Conflict of Interest

HHCC staff, physicians, board members, volunteers, students and contractors shall avoid situations where their personal interests (which interest shall include those of spouses, parents by birth or marriage, siblings and children, and friends/associates whether financial or otherwise) conflict or appear to conflict with interests of HHCC Health.

When a conflict of interest arises, it must be evaluated, and an appropriate mitigating HHCC staff, physicians, board members, volunteers, students, and contractors are not entitled to use information obtained in the course of their employment or relationship with HHCC, including the names of clients/patients, or other employees, or any of HHCC resources, materials, or information which is proprietary to HHCC for their own benefit or advancement.

When HHCC staff, physicians, board members, volunteers, students, or contractors recognize or deliberation, or decision regarding any issue, matter, or subject matter which creates the conflict therefore are strongly discouraged.

Prior to participation in any procurement evaluation process all evaluation team members will complete and sign a HHCC Conflict of Interest Declaration.

Situations that may result in a conflict of interest may include (but are not limited to) the following:

Engaging in outside employment. An existing relationship that may be perceived as being a real or apparent influence on objectivity in carrying out an official role.

Providing assistance or advice to a supplier participating in a competitive process.

Having an ownership, investment interest, or compensation arrangement with any entity participating in a competitive process.

Having access to confidential information regarding any entity participating in a competitive process.

Accepting favors or gratuities from those doing business with the organization.

Having a spouse, parent, sibling, child, friend, or associate with an interest in any entity participating in a competitive process.

Evaluation team members will notify the evaluation team lead if, during the evaluation process, a situation arises that may be construed as a conflict of interest. Any questions regarding potential conflicts of interest will be resolved by the evaluation team lead in consultation with the Manager, Supply Chain, Program Director, and VP.

HHCC reserves the right to solely determine whether any situation or circumstance constitutes a conflict of interest and to prescribe the manner in which the conflict of interest is resolved.

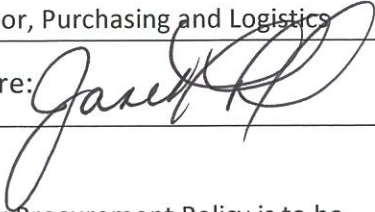
Suppliers are required to declare all known potential conflicts of interest in any competitive bid response. HHCC reserves the right to terminate any agreement where a supplier fails to disclose a conflict of interest or if an identified conflict of interest cannot be resolved.

Third parties that assist HHCC in the development of competitive documents in a procurement process that are respondents in the same process will be considered in conflict of interest. Submissions made will be disqualified and not considered for evaluation

References: Broader Public Sector Supply Chain Guidelines (SCG). Found at:

<https://www.doingbusiness.mgs.gov.on.ca/mbs/psb/psb.nsf/EN/bps-procurementdirective>



Document Name: Sourcing and Procurement Policy	Section 8: Terms of Agreement Modifications
Effective Date: October 1, 2017	Original Date: April 2010 Revision Dates: March 2023
Authorizing Physician –	Author Title/Position: Supervisor, Purchasing and Logistics
Approved by: Director of Facilities, Procurement and Support Services	Signature: 

POLICY STATEMENT

The following HHCC Health Care Centre (HHCC) Competitive Sourcing for Procurement Policy is to be followed by HHCC employees and contract personnel or consultants engaged by HHCC.

Policy Objective:

The purpose of this policy is to ensure that there is an agreement in the contract on how the extension or edits to initial contract occur. Broader Public Sector Procurement Directives 2011 - 7.2.18 Mandatory Requirement #18: Term of Agreement Modifications

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 any modifications to the term of agreement.

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.

3.0 References

[https://www.doingbusiness.mgs.gov.on.ca/mbs/psb/psb.nsf/Attachments/BPSProcDir-pdf-eng/\\$FILE/bps_procurement_directive-eng.pdf](https://www.doingbusiness.mgs.gov.on.ca/mbs/psb/psb.nsf/Attachments/BPSProcDir-pdf-eng/$FILE/bps_procurement_directive-eng.pdf)

[https://www.doingbusiness.mgs.gov.on.ca/mbs/psb/psb.nsf/Attachments/BPSProcDir-Guidebook-pdf-eng/\\$FILE/bps_procurement_guidebook-pdf-eng.pdf](https://www.doingbusiness.mgs.gov.on.ca/mbs/psb/psb.nsf/Attachments/BPSProcDir-Guidebook-pdf-eng/$FILE/bps_procurement_guidebook-pdf-eng.pdf)

Definitions

Information Gathering

- Where results of informal supplier or product research are insufficient to support the development of an RFP, RFQ, RFSQ, RFP and/or VOR in the future, informal processes such as a Request for Information (RFI) or Request for Expression of Interest (RFEI) may be used if warranted.
- In the event that RFIs and/or RFEIs are implemented, they will not be used to pre-qualify a potential supplier nor will the responses to the RFI's and RFEI's influence a supplier's chance of being the successful supplier on any subsequent opportunity.
- A RFSQ may be used to gather information about supplier capabilities and qualifications in order to pre-qualify suppliers for an immediate product or service need or to identify qualified candidates in advance of expected future competitions.

The terms and conditions within the RFSQ must contain specific language to disclaim ANY obligation to call on any supply as a result of the pre-qualification to supply the goods and/or services.

The following table outlines when the use of RFIs, RFEIs and RFSQs are appropriate:

Information Required	RFI	RFEI	RFSQ
General supplier or product information	X		
Information on supplier interest in opportunity		X	
Information on supplier capability/qualifications		X	X
Pre-Qualified suppliers' list desired			X

Competitive Sourcing for Procurement

As defined in Policy 4 – Competitive and Non-Competitive Thresholds, procurements for \$10,000 or greater require a competitive procurement process.

- The competitive procurement process may be initiated by any individual requiring procurement of goods and services and should be arranged through Shared Services West.
- At time of procurement process initiation, the source of funding for the goods/services should be considered as there may be other mandated transfer payment procurement policies to be considered.

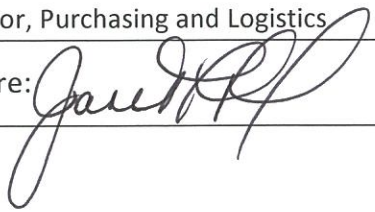
- Goods/services specifications should be carefully considered and documented to support the procurement process. Include consultation with the Product Evaluation Standardization Committee, where appropriate.
- Confidential information related to the development of the competitive procurement documentation should be clearly identified to ensure it is not included in publicly tendered documentation.
- Review and revise as necessary the contract and/or terms and conditions for inclusion in the Competitive Sourcing for Procurement Documentation.
- Contract extension provisions shall be clearly articulated in the competitive procurement documents to ensure HHCC has the right to extend sourcing/procurement contracts as necessary, within appropriate parameters and government regulations.
- Ensure inclusion of Bid Protest Procedures in Competitive Sourcing for Procurement Documentation.
- It is the responsibility of the Evaluation Committee to review and approve the competitive documentation prior to issuance. through invitation or open public/electronic forum.
- Mode of Competitive Sourcing for Procurement Documentation issue is based upon competitive procurement thresholds.
- Addenda to published Competitive Procurement Documentation to be done using the same format as the documentation was originally issued.
- Sourcing for procurement (contracts) valued \geq \$25,000 - \leq \$100,000, at a minimum, RFQ implementation is mandatory. HHCC has a standard RFQ template which is to be used when soliciting market quotations (See Appendix 4 – RFQ Template)
- Sourcing for procurement (contracts) valued at \geq \$100,000, RFP or RFT implementation is mandatory and shall be made through an open electronic public tendering forum that is equally accessible to all suppliers. This process is to be coordinated through Shared Services West.

Contract Term and Extensions

- It is recommended that total contract durations, including extensions, be limited to three to five years.
- Contract extension should only be granted in cases where:
- There is a provision for extension in the original contract. These provisions must be the same as that articulated in the procurement documents;
- The contract extension is no longer than the original contract term;
- The value of the extension is < 50% of the original contract's value;
- Based on a study of current competition and market conditions, the contract extension is in the best interest of HHCC;
- There is a situation where urgency exists and the goods, services or construction cannot be procured through a competitive process in time to meet the needs of HHCC and where a delay would cause economic hardship or significant service delivery disruption or otherwise be contrary to the interest HHCC;

- Unforeseeable delay in a project where an uncontrollable shift of timetables required the organization to retain the services or maintain a contract with a supplier to maintain the best interest of HHCC.
- Posting Competitive Procurement Documents
- Calls for open competitive procurement must be made through an electronic tendering system that is readily accessible by all Canadian suppliers.
- A minimum response time of 15 business days will be provided to vendors to respond to procurement opportunities
- For procurement with high complexity, risk and/or dollar values, a minimum response time of 30 calendar days must be considered.
- Extensions as deemed necessary and agreed to by the Evaluation Committee is acceptable.
- All addenda must be issued at least seven (7) days prior to the closing date.
- If an addendum is issued within seven (7) days of the closing date, the RFP closing date should be extended accordingly.
- The bid submission date and closing time must be clearly stated in the competitive procurement documents. The closing date must be a normal working day (Monday to Friday, excluding provincial and national holidays).
- Submissions that are delivered after the closing time will not be considered and must be returned unopened.



Document Name: Sourcing and Procurement Policy	Section 9: Competitive Sourcing – Evaluation of Procurement
Effective Date: October 1, 2017	Original Date: April 2010 Revision Dates: March 2023
Authorizing Physician –	Author Title/Position: Supervisor, Purchasing and Logistics
Approved by: Director of Facilities, Procurement and Support Services	Signature: 

Policy Statement:

The following HHCC Competitive Sourcing for Procurement Evaluation Policy is to be followed by HHCC employees and contract personnel or consultants engaged by HHCC.

Policy Objective:

To ensure that HHCC will ensure that the appropriate controls are incorporated to address any procurement conflict of interest issues.

Evaluation Team

Participants in evaluating bids or proposals for goods or services (including consulting services) for purchase on behalf of HHCC are required to declare any known potential conflicts of interest in writing in advance.

Clear conflicts of interest may preclude participation in all or part of any evaluation process. This policy is applicable to all HHCC staff, physicians, board members, volunteers, students, and contractors involved in procurement activities on behalf of HHCC.

Evaluation Criteria

HHCC staff, physicians, board members, volunteers, students, and contractors shall avoid situations where their personal interests (which interest shall include those of spouses, parents by birth or marriage, siblings and children, and friends/associates whether financial or otherwise conflict or appear to conflict with interests of HHCC Health Care.

HHCC staff, physicians, board members, volunteers, students, and contractors are not entitled to use information obtained in the course of their employment or relationship with HHCC, including the names of

clients/patients, or other employees, or any of HHCC resources, materials, or information which is proprietary to HHCC for their own benefit or advancement.

When HHCC staff, physicians, board members, volunteers, students, or contractors recognize or may possibly be in a position of conflict, they will not participate in the consideration, deliberation, or decision regarding any issue, matter, or subject matter which creates the conflict.

Prior to participation in any procurement evaluation process all evaluation team members will complete and sign a HHCC Conflict of Interest Declaration.

Situations that may result in a conflict of interest may include (but are not limited to) the following:

- Engaging in outside employment.
- An existing relationship that may be perceived as being.
- Competitive processes require that evaluation criteria be developed to determine which bid should be selected. A real or apparent influence on objectivity in carrying out an official role;
- Providing assistance or advice to a supplier participating in a competitive process.
- Having an ownership, investment interest, or compensation arrangement with any entity participating in a competitive process.
- Having access to confidential information regarding any entity participating in a competitive process.
- Accepting favors or gratuities from those doing business with the organization
- Having a spouse, parent, sibling, child, friend, or associate with an interest in any entity participating in a competitive process.

Evaluation Process

Evaluation team members will notify the evaluation team lead if, during the evaluation process, a situation arises that may be construed as a conflict of interest. Any questions regarding potential conflicts of interest will be resolved by the evaluation team lead in consultation with the Manager, Supply Chain, Program Director, and VP.

HHCC reserves the right to solely determine whether any situation or circumstance constitutes a conflict of interest and to prescribe the manner in which the conflict of interest is resolved.

Suppliers are required to declare all known potential conflicts of interest in any competitive bid response. HHCC reserves the right to terminate any agreement where a supplier fails to disclose a conflict of interest or if an identified conflict of interest cannot be resolved.

Third parties that assist HHCC in the development of competitive documents in a procurement process that are respondents in the same process will be considered in conflict of interest. Submissions made will be disqualified and not considered for evaluation.

Evaluation of Value-Add Incentives

A value-add incentive is an offer by a supplier, over and above the primary goods or services being purchased, with the intent to increase the total value received by the customer.

To maintain the principles of open, fair and transparent procurement practices, value add incentives must not be considered unless they are explicitly requested in the competitive procurement documents.

Value-add incentives must be directly relevant and transparently connected to the given procurement.

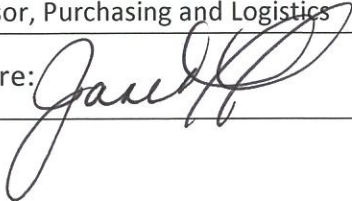
The procurement document should list the specific value-add incentives that would be considered beneficial to HHCC and order of preference, such as on-site technical assistance or product upgrades. Cash should never be requested as a value-add incentive and, if received, should only be used to reduce the final price of the bid.

The criteria to evaluate value-add incentives must be established prior to commencement of the competitive procurement process. However, value-add incentives can be difficult to value. Potential vendors are encouraged to assign value and include any value adds to be offered in the total bid price. If so chosen, the weighting assigned to value-add incentives must be stated in the competitive procurement document.

The weight assigned to value-add incentives should demonstrate that they are not considered a major influencing factor; Value-add incentives that are outside the scope of the goods and/or services being procured or related operational improvement will not be considered or provided points in the evaluation process; and

Value-add incentives should be evaluated as a separate and final step after all other rated criteria.



Document Name: Sourcing and Procurement Policy	Section 10: Contract Award
Effective Date: October 1, 2017	Original Date: April 2010 Revision Dates: March 2023
Authorizing Physician –	Author Title/Position: Supervisor, Purchasing and Logistics
Approved by: Director of Facilities, Procurement and Support Services	Signature: 

Policy Statement:

The following HHCC Contract Award Policy is to be followed by HHCC employees and contract personnel or consultants engaged by HHCC.

Policy Objective:

The purpose of this policy is to outline the notification requirements when a contract has been awarded.

Contract Award

Once the competitive process has been completed and the supplier selected, HHCC and/or Shared Services West (SSW) shall notify and award the contract for provision of goods or services to the selected supplier.

- The contract between HHCC and selected supplier must be defined formally in a signed written contract before the provision of the goods or services commence and before a contract award is made public.
- When executing the contract, HHCC should obtain the supplier signatures before obtaining HHCC signatures.
- In situations where an immediate need exists for good or services and the contract is not finalized, an interim purchase order may be used. This will allow for the immediate needs to be met while final negotiations take place towards finalizing the contract terms.

The justification for proceeding under clause 1.4 must be documented and approved by the appropriate authority.

The Contract Document

The contract must be finalized using the form of agreement/contract which was released with the procurement document.

- In circumstances where an alternative procurement strategy has been used (i.e., a form of agreement was not released with the procurement document), the agreement between HHCC and the successful supplier must be defined formally in a signed written contract before the provision of supplying goods and services commences.
- All contracts must include appropriate cancellation or termination clauses.
- To manage disputes with suppliers throughout the life of the contract, all contracts should include a dispute resolution process.

When conducting complex procurements, HHCC should consider, as appropriate, the use of contract clauses that permit cancellation or termination at critical project life-cycle stages. This process is to be coordinated through SSW.

Non-standard contracts or clauses outside of approved SSW contract template must be reviewed and approved by Finance / Legal prior to obtaining any supplier signatures.

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 any modifications to the term of agreement. Changes to the term of the agreement (e.g. extension years) may change the overall procurement value. Prior written approval by the appropriate authority with consideration of the need for legal review is necessary before changing contract start and end dates.

Extensions to the term of the agreement beyond what is set out in the competitive procurement document are considered non-competitive procurements where the extension affects the value and/or state deliverable of procurement (See Policy No. 5 – Non-Competitive Procurement) and HHCC shall seek and document appropriate approval, including internal legal review, as necessary, prior to proceeding.

Contract Award Notification

- For procurements valued at \$100,000 or more HHCC will post, in the same manner as the Competitive Procurement Documents were posted, the name(s) of the successful supplier(s).
- Contract award notification must occur only after the agreement between the selected supplier and HHCC has been executed.
- The contract award notification must include the name of the successful supplier, agreement start and end dates, including any options for extension.

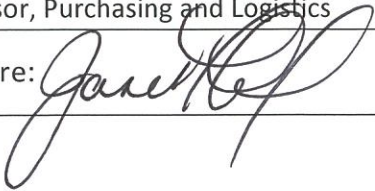
Vendor Debriefing

For procurements valued at \$100,000 or more, our SSO will inform all suppliers who participated in the competitive procurement process (but were not selected), of their entitlement to a debriefing.

HHCC will allow the SSO to contact unsuccessful vendors to request a debriefing up to sixty (60) calendar days following the date of contract award notification.

Notification <https://www.doingbusiness.mgs.gov.on.ca/mbs/psb/psb.nsf/English/bps-procurementdirective>



Document Name: Sourcing and Procurement Policy	Section 11: Document Retention
Effective Date: October 1, 2017	Original Date: April 2010 Revision Dates: March 2023
Authorizing Physician –	Author Title/Position: Supervisor, Purchasing and Logistics
Approved by: Director of Facilities, Procurement and Support Services	Signature: 

Policy Statement:

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.

Policy Objective:

HHCC must have a written policy for handling, storing and maintaining the suppliers’ confidential and commercially sensitive information. HHCC must retain all procurement documents as well as any pertinent information for reporting, auditing, and bid dispute resolution purposes.

Types of documentation to be retained by Organizations include:

- A copy of the procurement justification or business case.
- Information about supplier consultations, including requests for information, undertaken in the process of development of the procurement documents.
- Evidence that all required approvals were obtained,
- Copies of all procurement documents used to qualify and select suppliers.
- Where procurement was conducted using a non-competitive method, justification, applicable exemptions and associated approvals.
- Copies of all advertisements of procurement documents.
- Copies of all successful and unsuccessful submissions, including conflict-of-interest declarations and other attached forms.
- Information regarding any procurement process issues.
- Information regarding evaluation of all submissions.
- Information regarding all supplier debriefings, including written documentation of the offer of supplier debriefing.
- Copies of all award letters, notices and posted announcements.

- Copies of all agreements.
- Information regarding all changes to the terms and conditions of the agreement, including any changes that resulted in an increase in the agreement price.
- Information regarding supplier performance after agreement execution, including performance monitoring and management, as well as the knowledge transfer mechanisms.
- Information regarding risk assessments and contingency plans.

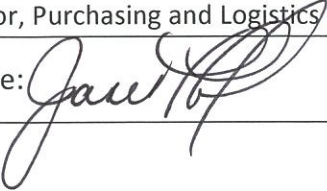
Contractor security screening decisions.

- Information regarding procurement-related protests, disputes or supplier complaints, including any agreement disputes.
- Evidence of receipt of the deliverables.
- Any other documentation related to procurement.

BPS 7.2.23 Mandatory Requirement #23: Procurement Records Retention

[https://www.doingbusiness.mgs.gov.on.ca/mbs/psb/psb.nsf/Attachments/BPSProcDir-Guidebook-pdf-eng/\\$FILE/bps_procurement_guidebook-pdf-eng.pdf](https://www.doingbusiness.mgs.gov.on.ca/mbs/psb/psb.nsf/Attachments/BPSProcDir-Guidebook-pdf-eng/$FILE/bps_procurement_guidebook-pdf-eng.pdf)



Document Name: Sourcing and Procurement Policy	Section 12: Vendor of Record - VOR
Effective Date: October 1, 2017	Original Date: April 2010 Revision Dates: March 2023
Authorizing Physician –	Author Title/Position: Supervisor, Purchasing and Logistics
Approved by: Director of Facilities, Procurement and Support Services	Signature: 

Policy Statement:

This section outlines the key elements of VOR arrangements and provides guidance on how HHCC may establish and utilize such arrangements. This process is to be coordinated through Shared Services West.

Policy Objective:

SSW may establish VOR arrangements with suppliers to, increase procurement process efficiency and obtain consistent competitive prices for the identified goods and services.

VOR arrangements as a method of procurement

For the purpose of the BPS Directive, properly established, managed and utilized VOR arrangements may be utilized as an open competitive method of procurement for individual procurements that do not exceed the ceiling price of the VOR arrangement.

VOR arrangements established by the Ontario Ministry of Government Services (MGS)

The MGS has established VOR arrangements that are available to Organizations. Organizations may utilize VOR arrangements established by MGS to streamline the procurement process.

A list of MGS-established VOR arrangements is published at: www.doingbusiness.mgs.gov.on.ca. To view VOR-related information, Organizations must register on the website as buyers. The MGS establishes VOR arrangements on an ongoing basis; Organizations are encouraged to visit the website regularly.

When utilizing an MGS-established VOR arrangement, Organizations must follow the corresponding VOR User Guide provided by MGS.

Organization-specific VOR arrangements

An Organization or group of Organizations may establish VOR arrangements where there is an identified need for common goods or services. A VOR arrangement must be utilized only by the Organization or group of Organizations that established this VOR arrangement.

Prior to establishing a VOR arrangement, approval from an appropriate authority within the Organization must be received. The approval authority must be identified based on the total estimated value of procurement over the life of the VOR arrangement. Organizations must establish VOR arrangements through an open competitive procurement process.

To ensure that Organizations obtain the optimum value for money from individual procurements under VOR arrangements, they must conduct a second-stage selection process. All VOR arrangements must identify methods of conducting the second-stage selection process based on dollar thresholds of a single procurement. Where the second stage of the selection process warrants invitation of only one supplier to submit a proposal, Organizations should evenly distribute individual procurement opportunities over time between the suppliers wherever feasible.

VOR arrangements should be subject to regular contract management activities, including but not limited to monitoring and managing price, quality and service cycles.

Establishing organization-specific VOR arrangements

Organizations should establish VOR arrangement-related policies. These policies should include, among others, dollar thresholds at which VOR arrangements may be established, necessary approvals and second-stage supplier selection.

Process of establishing a VOR arrangement

- Organizations should develop a standard process of establishing VOR arrangements. The process may include the following steps:
- Verify whether an MGS-established VOR arrangement for supplying the goods or services in question exists; if it does, utilize the arrangement where feasible;
- Identify business need for the VOR arrangement (based on frequency, volume, scope, etc.);
- Identify the ceiling price of the VOR arrangement — the dollar value of an individual procurement under the VOR arrangement above which the Organization must conduct procurement using a new open competitive process instead of the VOR arrangement;
- Receive approval(s) from an appropriate authority; the authority should be identified based on total estimated spend expected to occur over the life of the VOR arrangement;
- Identify the process of conducting the second stage of the selection process, including the minimum number of suppliers to be invited to participate in the second-stage selection process based on dollar thresholds of the procurement;

- Conduct an open competitive procurement process to establish the VOR arrangement.
 - Collecting information related to product, market trends and internal demand;
 - Identifying parameters, specifications and applicable standards of goods and services to be provided under the VOR arrangement.
 - Determining the terms and conditions of the master agreement (seek legal advice as necessary). Identifying the term and possible extensions of the VOR arrangement (see sub-section B).
- Identifying when an open competitive process directed at adding new suppliers to the VOR arrangement list will be held, where applicable;
 - Identifying a market-driven mechanism of price modification for specific commodities or services (e.g., fuel) over the term of the VOR, where appropriate;
 - Identifying criteria and processes to utilize when selecting suppliers for the VOR list;
 - Determining whether suppliers are required to obtain proof of insurance to provide goods or services and at what stage of the selection process the proof would be required
 - Drafting competitive procurement documentation (ensure that the documentation specifies that submission of a response to RFSQ or placement on the VOR list does not guarantee award of work or a supply contract);
 - Obtaining all necessary approvals to post the RFSQ document; Posting competitive procurement documents.
 - Collecting supplier submissions;
 - Evaluating the submissions and selecting the suppliers — vendors of record; and
 - Executing the form of agreement with the selected suppliers.
- vii. Develop the VOR user guide

Second stage of the selection process

Organizations must establish and document rules of conducting the second stage of the selection process. The method of the second-stage selection process should be determined based on the dollar value of procurement, including possible extensions. Typically, the second stage of selection under a VOR arrangement represents the invitational competitive procurement process.

Organizations must establish a schedule that outlines the minimum number of suppliers to be invited to submit bids based on the dollar value of procurement. The table below provides an example of such a schedule. To ensure that HHCC implements ethical, efficient and accountable sourcing, contracting and purchasing activities on a day to day basis.

Procurement Value	Minimum Number of Suppliers to be Invited to the Second-Stage Selection
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\$0 up to but not including \$25,000	1
\$25,000 up to but not including \$100,000	3
\$100,000 up to but not including \$250,000	5
\$250,000 up to the VOR ceiling price	7
More than the VOR ceiling price	Open competitive procurement

HHCC must not reduce the value of a procurement in order to circumvent the requirements outlined in the second-stage selection process schedule.

Where there are fewer members on the VOR list than in the schedule, all suppliers on the list must be invited to participate in the invitational procurement process.

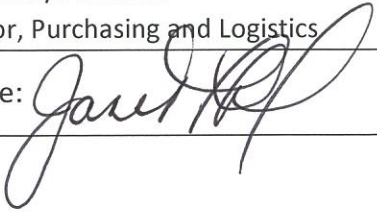
1.0 Vendor of Record (VOR)

HHCC will utilize VOR arrangements resulting from a fair, open, transparent and competitive procurement process that authorize one or more vendors to offer specific goods or services for a defined time period, with terms, conditions and pricing set out in the particular VOR procurement documents including the RFP and accepted proposal submissions.

2.0 VOR Status Award

All VOR arrangements will be established through an RFP process as defined in Policy 6 – Competitive Sourcing for Procurement. Bidders who successfully meet all the requirements of the RFP are awarded VOR status. VOR status is awarded for a period not to exceed 3 years. Upon expiration of VOR status, the vendor is entitled to compete on future VOR RFPs.



Document Name: Sourcing and Procurement Policy	Section13: Competitive Procurement
Effective Date: October 1, 2017	Original Date: April 2010 Revision Dates: March 2023
Authorizing Physician –	Author Title/Position: Supervisor, Purchasing and Logistics
Approved by: Director of Facilities, Procurement and Support Services	Signature: 

Policy Statement:

The following sections will assist Organizations in planning a competitive procurement process. They outline the policies and procedures to be followed when Organizations conduct competitive procurements

Policy Objective:

A procurement lead is an individual assigned to ensure that a procurement is conducted in an ethical, lawful, effective and accountable manner.

Development of Competitive Procurement Documents

To conduct a competitive procurement process, Organizations must develop competitive procurement documents to be provided to potential proponents.

The three major types of competitive procurement documents are described below.

- Request For Proposal (RFP). The purpose of an RFP is to request suppliers to provide solutions for the delivery of complex goods or services, or, where explicitly required, to provide alternative options or solutions. This process uses multiple predetermined evaluation criteria, including price.
- Request For Tender (RFT). The purpose of an RFT is to request suppliers to submit bids to provide goods or services based on stated delivery requirements, performance specifications, terms, and conditions. An RFT focuses the evaluation criteria predominantly on the price and delivery requirements.
- Request For Quotation (RFQ). An RFQ is a document similar to an RFT. In an RFQ, Organizations describe exactly the goods and services to be provided; the proposal evaluation is based solely on price

The competitive procurement documents should include:

Name, telephone number and location of the person to contact for information about the procurement documents. Suppliers should be cautioned that contacting any other person from the Organization regarding the competition may lead to their disqualification. Individuals within the Organization should also be cautioned against providing any information related to the procurement to a third party.

- Clear description of required goods or services. Goods or services must be described in generic and/or functional terms specific to the business needs. Where it is necessary to provide specifications in non-generic and/or non-functional terms, the specifications must set out the performance requirements in a manner that would not unfairly favor certain suppliers.

- Conditions that suppliers must meet before obtaining procurement documents, such as conflict-of-interest declarations, confidentiality agreements and non-disclosure agreements.

- Submission rules and other competitive procurement clauses to follow in order for a bid to be compliant.

These may include bid format, language, number of copies to be submitted, attendance at a bidder's conference, etc;

- Process and time deadline for the submission of questions regarding the procurement documents, including a description of how the answers will be provided (see Section 10.3.3.4.5).

- Address and time deadline for bid submissions, including a caution that submissions received after the deadline will be returned unopened.

Time, place and method of bid opening.

Mandatory criteria (e.g., technical standards) that must be met. Competitive documents must clearly outline that submissions that do not meet the mandatory criteria will be disqualified.

- Full disclosure of the evaluation criteria (including weights), process and methodology to be used to assess submissions.

- Request for a list of subcontractors to be used to complete the procurement, where applicable. To ensure that the full responsibility for completing the contract rests with the primary supplier, Organizations may specify that the request is for information purposes only.

- Period of bid irrevocability (typically 120 days from closure of the competitive process).

- A statement that the procurement is subject to the Canada Free Trade Agreement annex 502.

- Notice that any confidential information supplied to the Organization may be disclosed by the Organization where it is obliged to do so under FIPPA and/or PHIPPA, by an order of a court or tribunal, or otherwise required by law.

- A draft form of agreement to be signed in the event of procurement award.

Posting Competitive Procurement Documents

When posting competitive procurement documents, Organizations must use accepted mediums to uphold the principles of fairness, openness and transparency. This will encourage higher levels of supplier response and maintain high BPS reputation in the supplier community.

Timelines for Supplier Response

Organizations must provide suppliers a minimum response time of 15 calendar days for procurement of goods and services valued at \$100,000 or more.

Organizations must consider providing suppliers a minimum response time of 30 calendar days for procurements of high complexity, risk, and/or dollar value.

Organizations should give potential proponents sufficient time to prepare bids. The goal of publishing the competitive procurement documents is to receive the highest possible number of quality bids, thus achieving the optimum value for money.

Organizations should select a bid response time that is reflective of such factors as procurement complexity, risk, seasonality and time necessary for suppliers to prepare and submit bids.

Communications During Competitive Process

The competitive process begins when the competitive procurement documents are issued (Start Date) and ends when an Organization signs an agreement with a supplier (End Date). Throughout the competitive procurement process, all communications with suppliers involved in the process must occur formally, through the contact person identified in the competitive documents.

From the Start Date to the deadline for submitting bids (Closing Date), Organizations must use two types of formal communication: addendum and question-and-answer (Q&A) response. Addenda and Q&A must be posted in the same manner as the competitive procurement documents in order to be available to all proponents, thus ensuring a level playing field.

Addendum response

Addenda are prepared where the posted competitive procurement documents need to be modified (e.g., amending, adding or deleting information due to errors, conflicts or omissions in the documents). Addenda

must be posted at least seven days before the Closing Date. If an addendum is issued within seven days of the Closing Date, the bid submission date must be moved accordingly.

Addendum allows modifying the competitive documents by:

- Inserting new or omitted provisions or drawings; and/or
- Revising or deleting provisions or drawings.

Question-and-answer response

Q&A responses are prepared where the posted competitive procurement documents require clarification, but there is no need to modify these documents. Answers that change any aspect of the competitive procurement documents must be addressed by making corresponding modifications to the documents through an addendum.

Questions should be submitted at least seven days before the Closing Date; however, questions submitted after that may also be considered. If warranted, the bid submission period may be extended to ensure that all proponents receive as much relevant information as possible.

Communications during proposal evaluation

During the evaluation period (Closing Date to the End Date), Organizations must not communicate with suppliers on matters related to the competitive procurement process unless it is to seek clarification of a bid or notify the successful supplier. To ensure that the above bid clarification does not amount to bid repair, Organizations may seek legal advice. All competitive process-related communications that occur during this period must be documented.

Communications after proposal evaluation

Once the evaluation process is completed and an agreement with a supplier is signed, Organizations may, subject to confidentiality requirements, discuss the competition with the participants of the competition.

Where the procurement value is \$100,000 or more, Organizations must inform unsuccessful suppliers about the outcome of the competitive procurement (see Directive Mandatory Requirement #19). Organizations may also notify unsuccessful suppliers by letter (see Section 10.3.3.6.2)

Bidder's Conference

Organizations may hold a bidder's conference where there is important information pertaining to the procurement in question that suppliers may understand better if it is presented to them (e.g., a request to outfit a building with electricity is easier to respond to after touring the site). Bidder's conferences are usually held shortly after the competitive documents are posted. This is done to give the proponents sufficient time to draft bids based on the information given at the bidder's conference.

Where an Organization is set to conduct a bidder's conference, the competitive documents must contain information about the conference, including but not limited to:

- Time and location;

- Items to be covered; and
- Whether attending the bidder's conference is mandatory. Where an Organization makes attendance of a bidding conference mandatory, it must specify in the competitive documents that bids of all proponents who did not attend the conference will be returned unopened.

During a bidder's conference, only the procurement in question may be discussed. Questions and answers provided at a bidder's conference must be communicated to all proponents, irrespective of whether they attended the conference, through an addendum or Q&A.10.3.3.5. Proposal Evaluation.

Bid Receipt

Competitive documents that allow or require responses to be submitted in a hard-copy format should identify

bid opening information, including place, time and attendance.

The process for opening bids submitted in a hard-copy format should be as follows:

1. Stamp each bid, as it arrives, with the date, time, location, company name and contact information;
2. Open the bids only after the closing time specified in the competitive documents has lapsed;
3. Ensure there is at least one witness to view the bid openings; and
4. When opening the bids, follow the process outlined in the competitive documents. Submissions that are delivered after the closing time must be returned unopened

Evaluation Criteria

Organizations must use the evaluation criteria outlined in the competitive procurement documents when selecting the winning submission.

Organization may utilize price, quality, quantity, transition costs, delivery, servicing, environmental considerations, the capacity of the supplier to meet requirements of procurement, experience, financial capacity of the supplier as well as any other factor directly related to the procurement as evaluation criteria.

Organizations must allocate the maximum justifiable weighting to the price/cost component of the evaluation criteria. Where feasible, Organizations are recommended to perform a sensitivity analysis on the selected criteria and assigned weighting prior to finalizing the criteria.

Organizations should not request the suppliers to provide information that will not be evaluated as such information may affect the outcome of the evaluation process.

Evaluation Methodology

Description of the evaluation methodology and process must include:

- Clear articulation of all mandatory requirements. Organizations must indicate that the mandatory requirements will be assessed on a pass/fail basis, outline how suppliers can achieve a passing grade, and state that where a submission is found not to comply with a mandatory requirement, no further evaluation of this submission will take place.
- All weights, including sub-weights, for the rated criteria (where applicable)

Description of short-listing processes, including any minimum-rated score requirements.

- The role and weight of other criteria, including reference checks, oral interviews and demonstrations.
- Descriptions of the price/cost of ownership evaluation methodology, including scenarios of the evaluation process (where appropriate), to determine costs for specific volumes and/or service levels. This evaluation should take place after evaluation of the mandatory requirements and rated criteria for all bids.

Evaluation of Mandatory Requirements

- The evaluation process should begin with the assessment of submission compliance with mandatory requirements. Where a submission substantially complies, certain clarifications may be sought to confirm compliance. To ensure that the above clarifications do not amount to bid repair, Organizations should seek legal advice.
Submissions that do not comply with one or more mandatory requirements must be rejected. Once all compliant submissions are identified, an organization should proceed with the balance of the evaluation process.

Evaluation Team

- The competitive procurement process requires that an evaluation team responsible for reviewing and rating bids be established. When selecting members of an evaluation team, Organizations should consider the following:
 - An evaluation team lead responsible for the evaluation process must be appointed.
 - Evaluation team members should be selected, and their participation confirmed before the competitive documents have been posted. Ideally, evaluation team members should be included in the development of the specifications, evaluation criteria and weighting.
 - An evaluation team may include supply chain experts, subject-matter experts, financial experts and representatives of the procurement function of the Organization. An evaluation team should possess qualifications necessary for proper bid evaluation.
 - A representative of the procurement division should participate in the evaluation team or, at a minimum, in process oversight. Where feasible, the representative of the procurement division should assume the role of the evaluation lead.

Organizations should develop an evaluation process guide for evaluation teams, outlining the roles and responsibilities of team members.

Evaluation Process

Evaluation Matrix

Each evaluation team member must complete an evaluation matrix, rating each of the submissions. Records of evaluation scores must be retained for audit purposes.

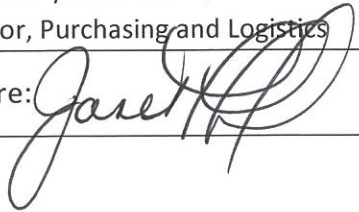
Evaluators must ensure that everything they say or write about submissions is fair, factual, and fully defensible.

Winning Bid.

During the selection process, Organizations should also consider the following:

- Organizations may ask proponents to clarify their bid but should seek legal advice to ensure that such clarification does not change the bid in any way.
- Where competitive procurement documents provide for cancellation of a competition, the competition may be cancelled and a new solicitation may be issued if received bids exceed the allocated budget, do not respond to the requirements or do not represent fair market value.
- Any proponent whose submission is rejected during the evaluation process must be notified about the rejection in writing within reasonable time after completion of the evaluation.
- With the exception of any pricing that was made publicly available at the time of a public opening, all submission evaluation details must be kept confidential.



Document Name: Sourcing and Procurement Policy	Section 14: Non-Discrimination
Effective Date: October 1, 2017	Original Date: April 2010 Revision Dates: March 2023
Authorizing Physician –	Author Title/Position: Supervisor, Purchasing and Logistics
Approved by: Director of Facilities, Procurement and Support Services	Signature: 

Policy Statement:

Organizations must not discriminate or exercise preferential treatment in awarding a contract to a supplier as a result of a competitive procurement process.

Policy Objective:

To ensure that HHCC implements ethical, efficient and accountable purchasing activities on a day-to-day basis.

Discriminatory Procurement Practices

Organizations must not differentiate between suppliers, or goods or services on the basis of geographic location in Canada. Organizations must not adopt or maintain any forms of discrimination based on the province of origin of goods, services, construction materials or the suppliers of such goods, services or construction materials in their procurement practices.

Discriminatory procurement practices include, but are not limited to, the following:

- Registration requirements and restrictions on calls for bids based upon the location of a supplier and its subcontractors, or the place where the goods or services are produced and, generally, qualification procedures that discriminate between suppliers by province of origin.
- The biasing of specifications in favor of, or against, a particular good or service for the purpose of circumventing the Directive.
- The timing of bid opening and closing dates so as to prevent qualified suppliers from submitting bids.
- The specification of quantities and delivery schedules of a scale and frequency that may reasonably be judged as deliberately designed to prevent qualified suppliers from meeting the requirements of the procurement.
- The division of required quantities or the diversion of budgetary funds to subsidiary organizations in a

manner designed to circumvent the requirements of this section.

- The consideration, in evaluating bids, of provincial or local content or economic benefits that favor a supplier or good.
- The giving of preference to selected bids after bids have been submitted and without any mention of the intended preference in the competitive procurement documents.
- The use of price discounts or preferential margins to favor certain supplier.
- The unjustifiable exclusion of a qualified supplier from bidding.
- The requirement that a construction contractor or subcontractor use workers, materials or suppliers of materials originating from the Province where the work is being carried out

Legitimate Objectives

Where it is established that a measure is inconsistent with sub-section 1 – Discriminatory procurement practices, that measure is still permissible where it can be demonstrated that:

- The purpose of the measure is to achieve a legitimate objective.
- The measure does not operate to impair unduly the access of persons, goods, services or investments of a Province that meet that legitimate objective.
- The measure is not more trade restrictive than necessary to achieve that legitimate objective.

In this Guidebook, “legitimate objective” means one of the following objectives:

- Public security and safety.
- Public order.
- Protection of human, animal or plant life or health.
- Protection of the environment.
- Consumer protection.
- Protection of the health, safety and well-being of workers.
- Affirmative action programs for disadvantaged groups.

Contract Award

Upon completion of the competitive process, Organizations should send a formal contract award notification letter to the supplier selected as a result of the competitive process.

Executing the Contract

The agreement between the Organization and the successful supplier must be formally defined in a signed written contract before the provision of supplying goods or services commences.

Where an immediate need exists for goods or services, and the Organization and the supplier are unable to finalize the contract as described above, an interim purchase order may be used. The justification of such decision must be documented and approved by the appropriate authority.

Establishing the Contract

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 been used (i.e., a form of agreement was not released with the procurement document), the agreement between the Organization and the successful supplier must be defined formally in a signed written contract before the provision of supplying goods or services commences.

Termination Clauses

All contracts must include appropriate cancellation or termination clauses. Organizations should seek legal

advice on the development of such clauses.

When conducting complex procurements, Organizations should consider, as appropriate, the use of contract

clauses that permit cancellation or termination at critical project life-cycle stages.

Term of Agreement Modifications

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 any

modifications to the term of agreement.

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.

Contract Award Notification

After signing a contract, Organizations must notify all suppliers who participated in the competitive process that a contract has been signed and the competitive process is complete.

It is a good practice to send letters to all unsuccessful proponents, communicating to them that the decision was made and thanking them for participating in the competitive process.

Supplier Debriefing

The details of supplier debriefings must be provided in the competitive documents, including the process of requesting a debriefing upon the conclusion of the competitive process.

When conducting supplier debriefings, Organizations must.

- Confirm with each supplier the date, time and location of the debriefing session in writing;
- Conduct separate debriefings with each supplier.
- Conduct debriefing sessions in a consistent manner. Ideally, the same participants from an organization

would participate in all debriefings related to a competitive process. If an organization used a Fairness Commissioner in a competitive process, the Fairness Commissioner may participate in the debriefing but must not conduct the debriefing;

- Not disclose information concerning other suppliers, other than the names and addresses of suppliers

who participated in the competitive process. Information about other suppliers may be confidential, commercially sensitive or proprietary information that Organizations are not authorized to disclose. Not answer questions unrelated to the competitive process.

- Retain all correspondence and documentation related to debriefing sessions.

When conducting supplier debriefings, Organizations should:

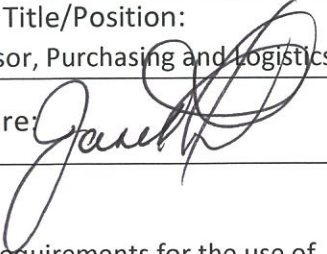
- Provide a general overview of the evaluation process set out in the procurement document.
- Discuss strengths and weaknesses of a supplier's submission in relation to the specific evaluation criteria.

Where the price is not the only evaluation criterion, Organizations may provide supplier's evaluation scores and ranking (e.g., third of five).

- Provide suggestions on how the supplier may improve future submissions.
- Be open to feedback from the supplier on existing procurement processes and practices.
- Address questions and issues raised by the supplier in relation to their submission.
- Where a supplier threatens to take legal action, record details and notify the appropriate authority within the Organization.

Suppliers can request additional information regarding the competitive procurement process, which may include information provided by other suppliers, through an FOI request made to the Organization. Exemptions from disclosing information about other suppliers may be available under applicable privacy laws.



Document Name: Electronic Signature	Section 15: Electronic Signature
Effective Date: October 1, 2017	Original Date: April 2010 Revision Dates: March 2023
Authorizing Physician –	Author Title/Position: Supervisor, Purchasing and Logistics
Approved by: Director of Facilities, Procurement and Support Services	Signature: 

Policy Statement:

The purpose of this policy is to provide guidance on acceptable use and requirements for the use of electronic signatures in HHCC documents including, but not limited to, internal approval forms, contracts, funding letters, and other correspondence.

Policy Objective

An electronic signature is an acceptable substitute for a traditional signature for all HHCC documents and contracts, subject to the controls and notations in this document.

Scope

This policy applies to all employees and physicians in the organization using an electronic signature. This does not apply to external consultants, contractors (excluding physicians) or volunteers.

Use of the Adobe Echo Sign software allows for electronic signature by authorized approvers on HHCC documents.

Each electronic signature must, apply to a specified signatory only; it may not be used by more than one person and must uniquely identify an individual, be uniquely linked to the signature be linked to the document to which it relates such that a change in the document or signature is detectable. This may include using certification by a trusted service provider.

Electronic signatures must not be shared, and each individual must restrict delegation of access to their email boxes to public emails only (exclude access to private emails) to maintain the security of the approver’s electronic signature.

Electronic signatures should not be used in transactions where there is a legal requirement for written signature, for example in the signing of a deed or other document where the signature is required to be witnessed.

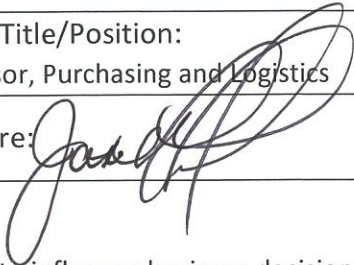
Accountability Framework

Each individual maintaining an electronic signature is responsible for its appropriate use and security.

Any individual that makes inappropriate or illegal use of the electronic signature is subject to disciplinary action, up to and including dismissal, and may be criminally prosecuted.

Exceptions or clarifications required for this policy should be directed to the Director Finance.



Document Name: Sourcing and Procurement Policy	Section 16: Gifts and Gratuities
Effective Date: October 1, 2017	Original Date: April 2010 Revision Dates: March 2023
Authorizing Physician –	Author Title/Position: Supervisor, Purchasing and Logistics
Approved by: Director of Facilities, Procurement and Support Services	Signature: 

Policy Statement:

Acceptance of gifts from suppliers that in any way influences or appears to influence business decisions is not permitted. HHCC staff, physicians, board members, volunteers, students, or contractors must not, in the course of business, become obligated, or appear to be obligated, to any potential or existing supplier. There is no intent within this policy to restrict investigation or education, but rather to protect the Health Centre and its employees from any implied obligation through gratuitous acts by vendors.

Policy Objective:

To ensure that HHCC implements ethical, efficient and accountable sourcing, contracting and purchasing activities on a day-to-day basis.

Gift:

Something acquired without compensation. For example: a meal, a ticket to a special event, cash, a gift certificate, a piece of jewelry, alcohol, etc.

Entertainment:

A special event, performance, or show for which there is a charge for admission. For example: a cultural, musical, or sporting event

Gifts of Nominal Value:

Items that have little or no monetary value. For example: Vendor branded pens, key chains, novelty items, etc.

Favors:

Special treatment. For example: employment offers, discounts for personal use, etc.

Blackout Period: The period from the issuance of an RFP/RFQ to the award of the contract

HHCC staff, physicians, board members, volunteers, students, and contractors involved in a product or equipment evaluation cannot accept any gifts, entertainment, or favors including nominal value gifts whatsoever from a responding vendor during the blackout period of an RFP process.

Giving or receiving occasional gifts of nominal value outside of the blackout period of an RFP process is a common practice in building and maintaining business relationships and is not considered to constitute undue influence.

If any gift of more than nominal value is offered, the gift must be declined. Any HHCC staff, physician, board member, volunteer, student, or contractor who is offered or receives such payment or gift of more than nominal value shall refuse it or return it to the giver in a tactful manner, advising the giver of the hospital policy prohibiting its acceptance.

HHCC staff, physicians, board members, volunteers, students, and contractors must use their own discretion when determining whether a gift is acceptable or not and must not allow themselves to be put into a position where their judgment can be influenced. If there is any question regarding the appropriateness of a gift approval should be sought from the Program Vice President or the CEO.

It is important to distinguish between gifts and entertainment. To be entertainment, the person offering and accepting the invitation must attend and the purpose must be for business discussion or the enhancement of a business relationship. Accepting entertainment that may appear inappropriate should be discussed with management in advance. If an invitation seems inappropriate, the offer should be rejected.

Association with supplier representatives at luncheons, dinners, or business organization meetings may be helpful in establishing better business relations and are neither questionable nor unethical provided that the hospital is not in a competitive procurement process and that any representative of HHCC employee keeps themselves free of obligations. To ensure this, HHCC personnel may be expected to act as hosts on occasion, and such efforts will be part of their operating expenses.

Unless specified as a requirement in the tender documents there will be no vendor paid site visits, including travel, accommodation, meals or entertainment for HHCC staff, physicians, board members, volunteers, students, or contractors which would impact on the potential, present or future dealings with that vendor. Should visits be deemed necessary, the department director will request all expenses subject to the established signing authority guidelines and the Health Centre's budget. If approved, all associated expenses will be borne by the Health Centre. Offers from vendors to provide this service must be discouraged and disclosed to the Director of Supply Chain. The Manager will use this information to negotiate any reduction in end cost on product or services.

Any HHCC representative approaching vendors for donations to fundraising events should do so only outside of the blackout period of an RFP process and ensure the vendor understands that a donation does not obligate HHCC in any way. Any employee not complying with this policy shall be subjected to appropriate disciplinary action up to and including termination.

Broader Public Sector Supply Chain Guidelines (SCG). Found at:

[https://www.doingbusiness.mgs.gov.on.ca/mbs/psb/psb.nsf/Attachments/BPSProcDir-Guidebook-pdf-eng/\\$FILE/bps_procurement_guidebook-pdf-eng.pdf](https://www.doingbusiness.mgs.gov.on.ca/mbs/psb/psb.nsf/Attachments/BPSProcDir-Guidebook-pdf-eng/$FILE/bps_procurement_guidebook-pdf-eng.pdf)

Appendix 1 Definitions

Accountability	The obligation of an employee, agent or other person to answer for, or be accountable for, work, action or failure to act following delegated authority.
Agreement	A formal written contractual document (i.e., entered into at the end of the procurement process
Approval Authority	The authority delegated by HHCC to a person 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.
Award	The notification to a proponent of acceptance of a proposal, quotation or tender that brings a contract into existence.
Bid	A proposal, quotation or tender submitted in response to a solicitation from a contracting authority. A bid covers the response to any of the three principal methods of soliciting bids. (RFT, RFP, RFQ)
Bid Protest	A dispute raised against the methods employed or decisions made by a contracting authority in the administration of a process, leading to the award of a contract.
Broader Public Sector (BPS) Accountability Act (BPSAA)	HHCC is required to comply with the BPS Procurement
Competitive Procurement	Requirement for HHCC to invite bidder or publish notification on an open forum (>\$10,000 - <\$100,000 Invitational/open competition and >\$100,000 Open Forum).
Competitive Documentation	Various forms/templates used throughout the procurement process.

Conflict of Interest	A situation in which financial or other considerations have the potential to compromise or bias professional judgment and objectivity. An apparent conflict of interest is one in which a reasonable person would think that the professional judgment is likely to be compromised. It is important to note that a conflict of interest exists whether or not decisions are affected by a personal interest; a conflict of interest implies only the potential for bias or appearance of bias, not likelihood.
Consultant	A person or entity that under an agreement, other than an employment agreement, who provides expert or strategic advice and related services for consideration and decision-making.
Consulting Services	The provision of expertise or strategic advice that is presented for consideration and decision-making.
Contract	An obligation, 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; legality of purpose; and sufficient certainty of terms.
Evaluation Criteria	A benchmark standard or yardstick against which accomplishment, conformance, performance and suitability of individual, alternative, activity, product or plan is measured to select the best supplier through a competitive process. Criteria may be qualitative or quantitative in nature
Evaluation Matrix	A tool allowing the evaluation team to rate supplier proposals based on multiple pre-defined evaluation criteria.

Evaluation Committee	Individuals designated/responsible to make award recommendation. The Evaluation Committee would typically include representatives from the purchasing organization and subject matter expert. Each member participates to provide business, operational, legal, technical and financial input.
Goods	In relation to procurement, 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 general construction contract.
Non-Competitive Procurement	Procurements that do not require HHCC to formally invite bidders or publish notification on an open forum.
Non-Disclosure Agreement	An agreement where parties agree to disclose information and/or relations they have that may hinder their judgment in the procurement process.
Non-Discrimination	Fairness in treating suppliers and awarding contracts without prejudice, discrimination or preference.
Procurement	Acquisitions by any means, including by purchase, rental, lease or conditional sale, of goods, services or construction.
Procurement Card (P-Card)	HHCC Credit card used on purchases of non-inventory, non-capital items, such as office supplies or travel expenses. The card allows obtaining goods and services without going through the requisition and authorization procedure.
Procurement Value	The estimated total financial commitment resulting from procurement, Over the term of the agreement, including optional extensions.

Purchase Order (PO)	A purchaser's written offer to a supplier formally stating all the terms and conditions of proposed transaction.
Request for Expressions of Interest (RFEI)	A document used to gather information on supplier interest in an opportunity or of Interest (RFEI) information on supplier capabilities/qualifications. A response to a RFEI must not pre-qualify a potential supplier or influence their chances of being the successful proponent on any subsequent opportunity.
Request for Information (RFI)	A document issued to potential suppliers to gather general supplier, service or product (RFI) information. It is a procurement whereby suppliers are provided with general or preliminary description of problems or need and are requested to provide information or advice about how to better define the problem or need, or alternative solutions. A response to a RFI must not pre-qualify a potential supplier or influence their chances of being the successful proponent on any subsequent opportunity.
Request for Proposal (RFP)	A document used to request suppliers to supply solutions for the delivery of complex (RFP) products or services or to provide alternative options or solutions. It is a process that uses predefined evaluation criteria in which price is not the only factor. Generally this document is used for procurements over \$100,000
Request for Supplier Qualifications (RFSQ)	A document used to identify a supplier capabilities and qualifications, with the Qualifications (RFSQ) intention of creating a list of screened and pre-qualified suppliers. The RFSQ process when implemented may reduce subsequent effort in future similar competitive procurements.
Request for Tender (RFT)	A document used to request supplier responses to supply goods or services based on stated delivery requirements, performance specifications, terms and conditions. An RFT

	usually focuses the evaluation criteria predominantly on price and delivery requirements.
Request for Quote (RFQ)	A document used to request suppliers to supply pricing for the delivery of products or services. Generally, this document is used for procurements of \$25,000 to \$100,000.
Requisition	A formal request to obtain goods or services, based on the terms established in the respective contract, where applicable.
Segregation of Duties	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 a single individual. Involved in multiple steps in the processing of transactions.
Services	Intangible products that do not have a physical presence. No transfer of possession or ownership takes place when services are sold. They cannot be stored or transported, are instantly perishable, and come to existence at the time they are bought and consumed.
Limited Tendering	The use of a non-competitive procurement process to acquire goods or services from a specific supplier under a specific defined set of circumstances.
Supplier/Bidder	Any person who, based on an assessment of that person's financial, technical and commercial capacity, is capable of fulfilling the requirements of procurement.
Specifications	Explicit set of requirements to be satisfied by a material, product or service.
Supply Chain	The full range of processes that manage the flow of goods and services, information, and dollars between suppliers, customers and end-users, as well as the supporting infrastructure required to enable these processes.

Supplier Debriefing	The practice of informing a supplier why their bid was not selected upon completion of the contract award process.
Vendor of Record (VOR)	A procurement arrangement that authorizes organizations to select from prequalified vendors.