

## Procurement Policy

O-05, F-08

LONG TITLE	A Policy Respecting the Procurement of Goods and Services for use by the Association	DATE OF ENACTMENT	8 March 2022
		LAST AMENDED	26 June 2022
REFERENCE No.	O-05, F-08	NEXT REVIEW	June 2025
CATEGORY	Board of Directors	COMPETENT CHAMBER	Board

### MANDATE

This Policy shall govern the procedures and best practices for the Association's procurement of goods and services. The Policy establishes the authority of the Association's Board, its officers, and employees, to authorize and execute transactions to procure goods and services in accordance with the *Not for Profit Corporations Act* (2010) and the *Articles of Incorporation*. The Policy further outlines the Association's procurement, request for proposal, and decision-making process for various transactions at various levels of importance. The Policy encourages the timely purchase of goods and services, and to ensure its commitment to accountability, transparency, efficiency, and equity.

This Policy shall be reviewed every three years by the Board.

### INTERPRETATION

1 This Policy may be called the *Procurement Policy*.

2 In this Policy, the following definitions shall apply:

**"term"** means the definition.

**"bid solicitation"** means any competitive procurement process authorized by this policy, including a Request for Tender, Request for Quotation, or Request for Proposal;

**"conflict of interest"** has the same meaning as in the [Conflict of Interest Policy](#);

**"consulting services"** means the provision of expertise of strategic advice that is presented for consideration and decision-making, not to be confused with 'professional services,' as below;

**"equitable vendor"** means any business or enterprise that is certified to be majority-owned, managed, and controlled by persons belonging to an equity-seeking community, such as Black Owned Businesses and/or businesses on the [Indigenous Business Directory](#) or are members of the [Canadian Council for Aboriginal Business](#);

**"financial approval authority"** means the individual(s) or position(s) with permission to approve transactions for execution. The approval attests to the appropriateness of the transaction within CUSA's budgetary guidelines. An individual who has been given

financial approval authority is thereby charged with financial accountability and ensuring the appropriate use of funds. This individual or position is either the CUSA Board or an individual who has been delegated financial approval authority by the CUSA Board, as outlined in the CUSA ByLaws & CUSA Board Terms of Reference;

**“open competitive process”** means a CUSA-led public procurement open to all vendors;

**“procurement value”** means the total anticipated financial spend or outlay (excluding taxes) over the life of the commitment, including optional renewal periods, if applicable; however, departments should consider any additional costs (e.g. taxes) when preparing annual forecasts and/or budgets;

**“professional services”** means engagement of a person or entity retained under a fee-for-service arrangement to perform specific tasks under a client’s direction for a limited period;

**“request for proposal”** or **“RFP”** a purchasing process in which suppliers are publicly invited to propose a solution to a problem, requirement, or objective and supplier selection is based on the effectiveness of the proposed solution rather than on price as the primary consideration, and may permit negotiation between CUSA and one or more bidders about certain aspects of the request;

**“request for quotation”** or **“RFQ”** means a purchasing process in which suppliers are asked to provide a quote for the provision of a good or service, and may include telephone bids. It is used where the contract requirements are well defined such that bids may be evaluated and compared on the basis of price and delivery, and where contract award may be determined on the basis of lowest-priced bid that meets all of CUSA’s requirements, subject to CUSA’s discretion. It may involve a public call for quotes or may be part of an invitation-only process;

**“request for tender”** or **“RFT”** means a purchasing process in which suppliers are publicly invited to submit bids and the bids are compared on the basis of price and delivery and where contract award may be determined on the basis of lowest-price bid that meets all of CUSA’s requirements, subject to CUSA’s discretion, and may permit negotiation between CUSA and one or more bidders about certain aspects of a request;

**3** This policy applies to all employees of the Association and the Board, and to any acquisition of goods or services for Association activities by employees and the Board.

## **PRINCIPLES**

**4** The Association is committed to:

- (a) ensuring the acquisition of goods and services is undertaken in an open, fair, transparent, efficient, ethical, principled, and cost-effective manner while

- obtaining the best value for the total acquisition cost of all goods and services purchased.
- (b) binding officers and employees of the Association to implement the decisions of the Board. The ethical, efficient, timely, and accountable management of procuring goods and services makes it appropriate for the Board to delegate certain administrative powers and duties to officers and employees of CUSA subject to oversight by the CUSA Board.
  - (c) establishing guidelines for purchasing goods and services for all Association departments, businesses, and units, including procurement planning and risk mitigation considerations; and
  - (d) raising awareness of environmental stewardship, sustainability, decolonization, and equitable practices in the procurement of goods and services.

### **POLICY AUTHORITY**

**5** The CUSA Board has the responsibility of maintaining procurement policy and procedure and ensuring any responsibilities are delegated only to entities duly informed of and trained on this policy and accountability to the CUSA Board.

**6** The CUSA Board has ultimate authority in all matters of Corporation management at all times. In the event of a conflict between the terms of this policy and a specific resolution of the CUSA Board, the resolution of the Board prevails.

- a) This policy applies to all employees of CUSA and the CUSA Board
- b) This policy applies to any acquisition of goods or services for CUSA activities by CUSA employees and the CUSA Board

### **GUIDELINES**

Who has authority over CUSA Procurements?

**7** The CUSA Board has authority over CUSA Procurements, including sponsorships, renovations, leases, physical plant, etc and is capable of outlining and delegating these responsibilities to others, as outlined in the remainder of this policy.

**8 (1)** The Board may always request to be involved in processes even after they have delegated them, and efforts should be made to inform the Board of Procurement possibilities at a Board meeting and in advance of the Procurement.

**(2)** Those delegated the ability to execute a Procurement are and must represent themselves as acting on behalf of the Board in the absence of them actively meeting, and their responsibilities may be curtailed by the Board if:

- (a) any single Procurement is not managed in accordance with this policy;
- (b) any since procurement is not within the scope they delegated; or

- (c) if the Board feels a pattern of procuring outside of Board meetings has become a troublesome pattern to avoid Board oversight.

### **CATEGORIZATION OF BID SOLICITATIONS**

When is a "Request for Tender", "Request for Quote", or "Request for Proposal" required or not required?

**9** No bid solicitation is necessary for departmental purchases totalling less than \$100 and previously approved by the Board as a part of larger departmental budget documents.

**10** The Board may, by resolution, determine a method for bid solicitation or set the procurement value as found appropriate.

**11** Unless otherwise provided, a Request for Tender should be used when the procurement value is expected to be between \$100 and \$999.99, or a Procurement Value exceeding that amount is part of an uninterrupted and routine administrative function of CUSA (i.e. office supplies) previously approved by the Board.

**12 (1)** Unless otherwise provided, a Request for Quotation should be used when the procurement value is expected to be between \$1000 and \$3999.99.

**(2)** The Board may, from time to time, allow the use of a Request for Quotation for CUSA's businesses where procurement values are between \$3999.99 and \$9999.99.

**13** Unless otherwise provided, a Request for Proposal should be used when a procurement value is expected to be or exceed \$4000.

(a) When a Procurement Value is in doubt, the Board will vote my majority to accept a Procurement Value for the initiative.

(b) Various exceptions and specifics may be outlined in this policy or outlined by the Board on a case-by-case basis

### **SPECIFIC PROCUREMENT PROCESSES AND EXCEPTIONS**

#### **Food and Beverage or Business Inventory**

**14** The Board may approve the regular purchase of Food & Beverage or Inventory for Rooster's, Haven, and Ollie's, and may set an amount that should not be exceeded as a guideline for the operations of the Businesses.

**15** Significant Food & Beverage or Inventory changes that would amount to a change in the business model or purpose of the business must be endorsed by a majority of the Board.

#### **Sponsorship Funds**

**16** The Board may allocate any amount of funds within any budget line to sponsorships.

**17** Sponsorships independently \$499 or less or cumulatively \$3999.99 or less may be moved within a single department budget line previously allocated by the Board with a simple notification of the sponsorship being presented to the Board in a written form with meeting materials for the next regular meeting.

**18** Sponsorships independently \$500 or more or cumulatively \$4000 or more must be approved by a majority of the Board. If the matter cannot wait for the next regularly scheduled Board Meeting, Directors can register their approval or disapproval through previously designated e-mail.

**19** All sponsorships should follow the Sponsorship Policy & Procedure.

#### **Procuring Consultants**

**20** Consultancies independently \$249.99 or less or cumulatively \$1999.99 or less may be retained within a single department budget line previously allocated by the Board with a simple notification of the consultancy being presented to the Board in a written form with meeting materials for the next regular meeting

**21** Consultancies independently \$250 or more or cumulatively \$2000 or more must be approved by the majority of the Board. If the matter cannot wait for the next regularly scheduled Board Meeting, Directors can register their approval or disapproval through previously designated e-mail.

**22** In the cases where a consultant is retained under clause 5. d) i) but continued retention would cross into the jurisdiction of 5. d) ii) , the continued retention must be approved by the majority of the Board. If the Board does not vote to extend, the consultant must be terminated.

#### **Lawyers & Auditors**

**23** The Board can set budgets for legal and financial advice, but permits officers of the Corporation to exceed those budgets between Board meetings with every effort to involve the Board Chair when the Corporations legal, financial, or reputational position is in jeopardy and short-term legal or financial advice is necessary to rectify the situation.

**24** To the extent possible, overages on budgeted amounts for lawyers and auditors fees between meetings should be retroactively approved or declined by the Board.

#### **Procuring Office Furniture or Business Physical Plant**

**25** A Request for Quotation shall be used for Office furniture or Physical Plant of any service centre or CUSA office space where the expected Procurement Value is between \$0 and \$3999.99.

**26** A Request for Quotation shall be used for Office furniture or Physical Plant of any CUSA Business or leasee space where the expected Procurement Value is between \$0 and \$9999.99.

**27** A Request for Proposal process shall be used for Office Furniture or Physical Plant of any service centre or CUSA office space where the expected Procurement Value is \$4000 or more.

**28** A Request for Proposal process shall be used for Office Furniture or Physical Plant of any CUSA business or leasee space where the expected procurement value is \$10,000 or more.

#### **Procuring Renovation Funds**

**29** A Request for Quotation shall be used for renovation projects of any service centre or CUSA office space, where the expected procurement value is between \$0 and \$3999.99.

**30** A Request for Quotation shall be used for renovation projects of any CUSA Business or leasee space, where the expected procurement value is between \$0 and \$9999.99.

**31** A Request for Proposal shall be used for renovation projects of any service centre or CUSA office space, where the expected procurement value is \$4000 or more.

**32** A Request for Proposal shall be used for renovation projects of any CUSA business or leasee space, where the expected procurement value is \$10000 or more.

#### **Large Fiscal Projects**

**33** A Request for Proposal shall be used, subject to Board approval, for projects involving sums of money \$10000 or more on any single Procurement or initiative, including but not limited to:

- (a) purchasing real estate;
- (b) construction of a new building;
- (c) a company vehicle;
- (d) or other large Procurements not covered by this or other policies (including the *Investments Policy*).

#### **Tenancies**

**34** The Board must approve all tenancies in CUSA leased spaces before a tenancy agreement can be signed

#### **RESPONSIBILITY AND DELEGATION**

**35** The Board can delegate any individual to execute their Procurement wishes and replace or hold that person accountable by removing their ability to be a signing authority of the Corporation if a ~~Board motion~~ **any order of the Board** is found not to be followed.

**36** The Board can approve Procurements up to a year in advance of when necessary or of when the Procurement is executed. If a full calendar year passes from a Board motion to Procure (or from budget passage that included Procurement Clauses) the Procurement must be reconsidered and endorsed again or rejected by the Board.

**37** If an individual believes a Procurement has occurred in contravention of this policy, they should immediately write a detailed accounting of the situation and provide as much evidence as possible ~~plus the written submission~~ to the Chair of the Board **via** e-mail address.

### **PUBLIC POSTINGS FOR BID SOLICITATIONS Postings of RFT, RFQ, and RFP**

**38** Public postings of RFT, RFQ, and RFP should be posted on <https://www.cusaonline.ca/> under the "Opportunities" tab on the "Procurement" page for at least 14 days or 10 business days, whichever is shorter.

**39** The Board shall set any requirements for the length which postings for Requests for Proposal must be open, as large initiatives require lengthy preparation in order to collect reasonable competition.

**40** The Board holds sole responsibility to waive the posting timeline requirements and set timelines on all bid solicitations.

### **EVALUATION OF BID SUBMISSIONS**

**41** The CUSA Board may delegate the evaluation of bids, tenders, quotes, or proposals to any officer of the corporation, staff member, expert, committee, other governance body of CUSA, subset of the Board, or the Board itself

**42** Evaluations shall always be made in ways that determine what is best for CUSA, and not for the individual applicants

**43** Submissions may be updated or amended by applicants in such a way that allows for entities to compete for the financial benefit of CUSA

**44** Where two submissions are equal but one is from an Equitable Vendor, there shall be a recognition that the Equitable Vendor application should be given preference, given the structural obstacles overcome in the course of arriving at an equal submission with an entity that does not qualify as an Equitable Vendor.

### **PARAMOUNTCY AND CONSISTENCY**

**45** Where there may be apparent contradictions between this policy and other legal requirements to which CUSA is subject, every effort should be made to interpret both this policy and the other requirement in a consistent and harmonious manner.

**46** If any provision of this policy is found to be inconsistent with the provisions of a collective agreement, the collective agreement will prevail, unless the policy provision is required by law, in which case the policy provision will prevail.

**47** Where funding for a purchase is provided by a funding agency, a more stringent set of approval requirements may be used at the discretion of the funding agency. If the

funding agency approval requirements are more stringent than this policy, the funding agency requirements will prevail.