

Policy Number: ADP 3.18

Procedures Approved by Executive Director:

Procedures Approved by the Board of Directors

Date: March 7 2006

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Revision Date: March 12 2024

Review Date: March 12 2024

Purchase of Goods and Services

Policy Statement

All purchasing decisions shall be made with due regard for price, quality, service, health and safety considerations, the vendor's reputation and local availability in accordance regulations under the Building Ontario Businesses Initiative Act, 2022 and changes to the Broader Public Sector Procurement Directive effective April 1, 2024.

Purchasing decisions are to be made with due regard for alternatives available and in accordance with the processes described in the procedures in this policy.

Local vendors within the area served by the Association will be considered in all purchasing decisions unless the particular product or service cannot be obtained locally.

Procedures

Requirement to give preference to Ontario Businesses.

In accordance with the Building Ontario Businesses Initiative Act 2022, a public sector entity shall give preference to Ontario businesses, in accordance with the regulations, when conducting a procurement process for prescribed goods and services the value of which are under the prescribed threshold amount. For a public sector entity that is a government entity,

- i. in respect of a procurement process for goods, \$30,300, and
- ii. in respect of a procurement process for services, \$121,200.

2. For a public sector entity that is a designated broader public sector organization,

- i. in respect of a procurement process for goods, \$121,200, and
- ii. in respect of a procurement process for services, \$121,200.

A good or service required for an emergency is exempt from the new legislation under the BOBIA

General Purchasing Process

The purchasing process's objective is to identify, select and acquire needed materials and services as economically as possible within specified standards of quality and service required by the Association. The

best price shall not be the determining matter in a purchase decision but shall be considered along with all these factors.

Purchases Within the Approved Operating Budget

Purchases which are to be made within the annual operating budget shall be made in accordance with the process required for each of three thresholds:

1. Less than \$5000.00.
2. More than \$5000.00 and less than \$50,000.00.
3. Capital construction more than \$50,000.00.

Purchases Outside of the Approved Operating Budget

1. Purchases proposed and not within the approved annual operating budget shall be submitted to the Executive Office for consideration and require Board approval.

Threshold – Greater than \$1000.00 and Less Than \$5000.00 and Within Budget

Purchases less than \$5,000.00 may be made with approval from the Director of Finance and Business Solutions, within the general requirements of this purchasing policy.

Threshold – More Than \$5000.00 and Less Than \$50,000.00

1. A written request and specifications shall be prepared by the applicable Supervisor and submitted to the Executive Director in consultation with the Director of Finance and Business Solutions for approval before being made.
2. The request and specifications shall be made giving consideration to qualified vendors and timelines.
3. Work agreements/maintenance that costs more than \$5000.00 and less than \$10,000.00 requires a minimum of one quote. Work agreements/maintenance that costs more than \$10,000.00 and less than \$25,000 requires a minimum of two quotes. Work agreements/maintenance that costs more than \$25,000 requires a minimum of three quotes.

Threshold – More Than \$50,000.00

Capital construction in excess of \$50,000.00:

1. Requests/proposals to be submitted to the Executive Director or designate
2. The request/proposal will be brought to the Board of Directors for consideration and approval.
3. If an advertising process is selected it shall be conducted as follows:
 - A written request and specifications shall be prepared by the applicable Supervisor.
 - The request and specifications shall be submitted to the Executive Director for approval.
 - The request for sealed tenders shall be advertised in at least two newspapers. At least one of the newspapers shall be published and distributed within the areas served by the Association.
 - The advertisement will invite potential vendors to pick up tendering specifications and will also specify the due date of tenders, the name and address of the Association, the names and addresses of any project engineering or architectural firms involved with the project, a short description of the project, the types of firms being invited to tender, where any applicable plans or drawings may be viewed and/or obtained.
 - The sealed bids shall be received by the Director of Finance and Business Solutions or designate.
 - The sealed bids shall be opened at the specified time by the Executive Director or designate

- A selection shall be made from among quotes received based on criteria outlined in this policy and the criteria provided in the request and specifications and brought to the Board of Directors for approval.

Preparation of Requests and Specifications

Any request and specifications for a purchase shall:

- a. Be written in objective terms to ensure that all potential vendors receive the same information on which to base their quote or sealed bid and thereby minimize any possibility of favoring a particular vendor.
- b. Recognize life cycle cost and not be limited to initial cost.
- c. Recognize availability of servicing and maintenance.
- d. Ensure any applicable health and safety standards are identified.
- e. Consider the needs of Association clients who may be using the good or service directly or benefiting from it indirectly.

Forms for Use with Procedures

None

Reference Material

Building Ontario Businesses Initiative Act 2022
[Broader Public Sector Procurement Directive April 1 2024 \(ontario.ca\)](#)

Additional Review Dates

May 19 2010