# Procurement and Contract Management

01:05:10

Effective Date: 1 May 2026

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## CCAS OPERATIONAL POLICY

1. **Policy Overview**
   a. The Society's procurement activities are governed by the **Broader Public Sector Accountability Act (2010)**, the latest ministerial **Broader Public Sector Procurement Directive**, the **Building Ontario Business Initiative Act (2022)**, and other ministerial policy directives as applicable. As such, the Society has established this procurement policy to ensure consistency with legislation and ministerial directives and to promote an open, fair, and transparent procurement process.
   b. This policy sets out the requirements in the following areas with which the Society's procurement activities must comply with:
      i. **Integrity of procurement** (section 4);
      ii. **Procurement methods, and roles and responsibilities** (section 5 to 7)
      iii. **Competitive procurement** (section 8); and
      iv. **Contract management and documentation** (section 9 to 11).
   c. The value amounts quoted in this policy are up to date as of the effective date of this policy and may be subject to change thereafter.
   d. The legislation allows exceptions and exemptions to methods of procurement in prescribed circumstances as set out in the Canada Free Trade Agreement (CFTA); however, all other requirements, including documentation, contract management, and supplier management, continue to apply. Please refer to the attachment to this policy for details of exceptions and exemptions. Where the Society has relied on an exception or exemption under this policy, the rationale for the exception or exemption must be formally documented.
   e. All agency employees can access this procurement policy through the agency's information systems, and it is also accessible to the public through the agency's website.

2. **Policy Approval Authority**
   a. The Department of Finance, Administration and IT is responsible for the development, review, and revision of this policy.
   b. The Director of Information Technology, Administration, and CFO is required for any revisions to this policy.

3. **Application of Policy**
   Procurement is the process of acquiring goods, services, or works from an external source, often through a structured and legally compliant method. This policy applies to procurement activities

carried out by employees on behalf of the Society, unless a procurement is exempted in accordance with applicable legislation and the CFTA (see attachment).

## 4. Procurement Integrity

### a. Code of Ethics

In addition to the Society's code of ethics policies, the Society has adopted the "**Supply Chain Code of Ethics**" under the Broader Public Sector Procurement Directive, which sets out supply chain-specific standards of practice and must be made available and visible to everyone, including suppliers and other stakeholders involved in procurement activities. The "Supply Chain Code of Ethics" includes:

i. **Personal Integrity and Professionalism**
Individuals involved in procurement activities must act, and be seen to act, with integrity and professionalism. Honesty, care, and due diligence must be integral to all procurement activities. Respect must be demonstrated toward others and 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 favours, providing preferential treatment, or publicly endorsing suppliers or products. No purchase of goods and services will be made for the personal use of employees, foster parents, volunteers, or members of the Board of Directors and committees.

ii. **Accountability and Transparency**
Procurement activities must be open, accountable, fair, transparent, and conducted with a view to obtaining the best value for public money. Public sector resources must be used in a responsible, efficient, and effective manner.

iii. **Compliance and Continuous Improvement**
Individuals involved in procurement activities must comply with this code of ethics and the laws of Canada and Ontario. Individuals are encouraged to continuously work to improve procurement policies and procedures, enhance their supply chain knowledge and skill levels, and share leading practices.

### b. Conflict of Interest

The Society monitors any conflict of interest that may arise from the involvement of employees, organization members, advisors, suppliers, or other stakeholders in procurement activities. Individuals involved in procurement activities are required to declare actual or potential conflicts of interest. Where a conflict arises, it must be evaluated and appropriate mitigating action must be taken.

### c. Segregation of Duties

At least three of the five functional procurement roles within the Society must be segregated, and responsibilities assigned to different departments or individuals as follows:

i. **Budgeting**: Referring to the inclusion of the expenditure in the approved annual Society's Integrated Operating Plan and operating budget. The budget owner of the department is responsible for identifying the resource needs for the initiative, which is ultimately approved by the Board. The budget process is overseen by the Director of Information Technology, Administration, and CFO.

ii. **Commitment**: Referring to approval of the commitment authority to proceed with the procurement initiative following the Society's policy: Spending Approval Authority (01:04:01); the commitment authority could be the project sponsor, manager, or director.

iii. **Requisitioning**: Referring to the carrying out of the procurement activity. The individual requisitioning may belong to the procurement or administrative support staff.

iv. **Receipt**: Referring to the receipt of goods or services delivered. The individual confirming receipt can be a member of the administrative or property team or a service

recipient; however, this individual cannot be the same person who requisitioned or approved the goods or services.

v. **Payment**: The payment made to the vendor is the responsibility of the supervisor of Accounts Payable. The supervisor of Accounts Payable does not have the signing authority to approve the commitment.

## 5. Procurement Method

### a. Determining method of procurement

Decision regarding the method of procurement for a particular purchase depends on the **types of goods or services** to be procured and the applicable **procurement value thresholds**; the means of procurement below indicate the least restrictive procurement method allowed:

i. Methods of procurement of **goods, non-consulting services, and construction** are based on the total procurement value as follows:

Total Value = **$0 - $99.99**

- Means of Procurement: Petty Cash

Total Value = **$100 - $2,999.99**

- Means of Procurement: Credit Card

Total Value = **$3,000 - $9,999.99**

- Means of Procurement: Purchase Order, with at least one (1) quotation obtained and documented

Total Value = **$10,000 - $121,199.99**

- Means of Procurement: Invitational[1] competitive[2], with a minimum three (3) suppliers invited to bid

Total Procurement Value = $**121,200 or more**

- Means of Procurement: Open[3] competitive

ii. All **consulting[4] services** must be competitively procured, regardless of the procurement value, as follows:

Total Value = **$0 - $121,199.99**

- Means of Procurement: Invitational or Open competitive

Total Procurement Value = **$121,200 or more**

- Means of Procurement: Open competitive

iii. For (i) (ii), the **total value of procurement** includes the cost of freight, installation, and other related costs, but excludes applicable taxes. The overall value of procurement must not be reduced to bypass competitive procurement approval thresholds. For multi-year procurements, the total projected value refers to the cost for the entire period of the anticipated agreement, including optional renewals; multiple purchases must not be used to circumvent competitive procurements.

### b. Non-competitive procurement

i. The Society may engage in non-competitive procurement for procurement value over the threshold when:

1) The procurement falls under the **exceptions and non-application clauses** under the applicable trade agreements (see attachment); or

2) A **Vendor of Record (VOR)[6]** has already been established through an existing competitive process for the required goods or services, and the procurement falls within the scope, terms, and conditions of the VOR arrangement.

ii. For non-competitive procurements, the Society must:

1) Demonstrate the rationale for the selection of the particular supplier over available suppliers;

2) Demonstrate that the fees charged are commensurate with services being procured; and

3) Complete forms for audit tracking.

c. **Approval authority**

i. **Competitive procurement of goods and non-consulting services**
Competitive procurement must be approved by the appropriate authority in accordance with the Society's policy: Spending Approval Authority (01:04:01), where the Board approves the Chief Executive Officer's (CEO) level of authority, and the CEO approves the spending authority of management and staff.

ii. **Non-competitive procurement of goods and non-consulting services**
For any non-competitive procurement of goods and non-consulting services, the level of approval authority shifts **one level higher** than the level for competitive procurement noted above in the Society's spending authority levels. Non-competitive procurements for goods and services for cumulative values in excess of $1,000,000 require approval by the Board.

iii. **Consulting services**
Competitive procurement of consulting services follows the same spending authority levels as goods and non-consulting services in accordance with the Society's policy: Spending Approval Authority (01:04:01) with the following exceptions:
1) Non-competitive procurement (exemption-based only) up to $1,000,000 must be approved by the Board President or the CEO; and
2) Non-competitive procurement (exemption-based only) over $1,000,000 requires Board of Directors approval.

## 6. Roles and Responsibilities

Procurement may be managed by individual departments or designated procurement staff based on the following criteria:

a. Procurement is managed by **individual departments** when:
i. The total procurement value is up to $10,000; or
ii. The purchase is already included within an existing approved contract; and
iii. The department is required to ensure that:
- **Proper procurement method** is used in accordance with section 5(a);
- **Proper spending approval authority** in accordance with the Society's policy: Spending Approval Authority (01:04:01) is obtained prior to the procurement;
- **Original invoices and/or receipts** are obtained and submitted to the Finance Department for payment and audit; and
- **Proper quotation**, if required based on the procurement value, is obtained and documented following agency procedures.

b. Procurement is processed through **designated procurement staff** or a third party procurement partner when:
i. The total procurement value is $10,000 or more (see also section 8 and 9); or
ii. Procuring from a U.S. business (see section 7), regardless of the procurement value.
The requesting staff must submit a request to the procurement staff to initiate the procurement. Upon receipt of a procurement request, the procurement staff, if necessary, and in consultation with the Director of Information Technology, Administration, and CFO, will recommend a method of procurement for the request based on the types of goods or services to be procured and in accordance with procurement value thresholds.

## 7. Procurement from U.S. businesses[5]

a. **Effective date and exceptions**
**As of March 4, 2025, until further notice**, in accordance with the Procurement Restriction Policy issued under the authority of the Management Board of Cabinet Act (1990) and the

Broader Public Sector Accountability Act (2010), the Society must exclude U.S. businesses from procurements unless:

i. The U.S. business is the **only viable and available source**;
ii. The procurement **cannot be delayed** for business continuity, or the procurement is needed to address a situation that is both urgent and unforeseen;
iii. The procurement is already **in progress** when the Procurement Restriction Policy became effective;
iv. The Society is using an existing **Vendor of Record (VOR)** arrangement or other available arrangements;
v. The procurement involves purchasing through a **Canadian reseller**; and
vi. The procurement involves **extending a contract term or auto-renewal of a contract** under an existing agreement or contract executed before the effective date of the Procurement Restriction Policy.

b. **Application**
Exclusion of U.S. businesses applies to all new procurements of goods and services regardless of the procurement value or the method of procurement used.

c. **Approval**
Upon receipt of a procurement request seeking to procure from a U.S. business, the procurement manager, in consultation with the Director of Information Technology, Administration, and CFO, if necessary, will:

i. Determine if the procurement falls under any of the exceptions listed in subsection (a);
ii. Determine whether there are alternative suppliers from Canadian or non-U.S. businesses;
iii. Obtain approval from the CEO for procurement or bidding from U.S. businesses, if the assessment indicates that the intended U.S. business is the only viable supplier; and
iv. With the approval of the CEO, notify the designated Supply Chain Ontario office of the procurement and undertake any further actions required.

## 8. Invitational or Open Competitive Procurement

This section applies **only** if the total procurement value is $10,000 or more, or if the decision is to proceed with a competitive procurement. Competitive procurement, whether through invitation or open bidding, will be processed by the procurement staff.

a. **Information Gathering**
Upon receipt of a procurement request, the procurement staff, with support from an authorized third party procurement partner where necessary, may engage in informal information gathering about potential vendors and benchmark costs to support decision-making and planning prior to the commencement of a procurement. Where the results of informal information gathering are not sufficient, the staff may choose to use a formal process such as a **"Request for Information" (RFI)** or **"Request for Expression of Interest" (RFEI)** under the following conditions:

i. Where the time and effort required to conduct such processes is warranted;
ii. An RFI or RFEI must not be used to prequalify suppliers;
iii. An RFI or RFEI may not alter or influence the opportunity for a participating supplier to become the successful bidder in any subsequent opportunity; and
iv. Information gathered during an RFI or RFEI process must meet the documentation management requirements of this policy.

b. **Supplier Pre-qualification Prior Competition**

i. The procurement staff or third party procurement partner (if the procurement is conducted through a third-party company) may choose to gather information about suppliers' capabilities and qualifications using the "Request for Supplier Qualification" (RFSQ) in order to pre-qualify suppliers for an immediate product or service need or to identify qualified candidates in advance of expected future competitions.

ii. The RFSQ must include language to ensure there is no obligation to purchase goods or services as a result of pre-qualification.

c. **Competitive Bid Documents**

i. **Posting** of competitive bid documents must be made available through an electronic tendering system that is readily accessible to all Canadian suppliers.

ii. **Response time** for suppliers to bid must be a minimum of fifteen (15) days for procurements valued at $121,200 up to $353,300. For procurements with a higher degree of complexity, risk, or value, a minimum response time of thirty (30) days is required.

iii. Competitive procurement documents must clearly identify a **bid submission date and closing time** that falls on a regular working day (Monday to Friday, excluding provincial and national holidays). Submissions received after the closing time must be returned unopened.

iv. Competitive procurement documents must include **bid dispute resolution procedures** to ensure that any bid disputes are handled in a fair, ethical, reasonable, and timely fashion. The Society must ensure that such resolution procedures comply with the procedures set out in applicable trade agreements.

d. **Evaluation of Bids**

i. **Evaluation criteria** must be developed, reviewed, and approved according to the Society's spending authority levels prior to the commencement of procurement. Competitive procurement documents must:

1) Disclose evaluation criteria where:
   - Mandatory, rated, and other criteria used in the evaluation of submissions are clearly outlined, including the weight of each criterion;
   - Maximum justifiable weight is allocated to the cost or price component of the evaluation; weighted criteria must comprise a minimum of 25% and a maximum of 40% of the total number of points for the procurement evaluation;
   - Criteria may not be structured to discriminate or provide preferential treatment to any supplier except as noted in (4);
   - Preference is given to Ontario businesses in procurement of goods and services below the threshold amount of $121,200 in accordance with the Building Ontario Business Initiative Act (2022);
   - Mandatory criteria must be kept to a minimum to ensure that no bid is unnecessarily disqualified; and
   - Changes to evaluation criteria may only be made by means of addendum to the competitive procurement documents;
2) Clearly state that bids not meeting mandatory requirements will be disqualified;
3) Disclose the methodology to be used to evaluate bids, including the method of resolving a tie score;
4) Clearly state that alternative strategies or solutions provided by suppliers will not be considered unless they are specifically requested in the procurement documents. If such a request is included, the procurement documents must disclose the criterion to be used to evaluate alternative strategies and solutions; and
5) Include any options to extend the terms of the agreement or contract.

ii. **Evaluation Process**

An evaluation team is convened internally (for procurement managed internally) or by the external procurement company (for third-party managed procurement) for the purpose of evaluating competitive bids. The evaluation team must:

1) Be aware of restrictions related to the use of confidential and commercially sensitive information collected through the procurement process;
2) Refrain from engaging in activities that create or appear to create a conflict of interest;

3) Individually sign a conflict of interest declaration and non-disclosure agreement;
4) Individually and independently complete an evaluation matrix to rate each submission;
5) Ensure that all commentary or ratings are fair, factual, and defensible;
6) Not discriminate or exercise preferential treatment in awarding contracts resulting from the competitive procurement process;
7) Complete evaluation of all non-monetary factors prior to opening and considering the price or cost factors;
8) Retain records of evaluation scores for audit purposes; and
9) Declare the winning bid according to the supplier that receives the highest evaluation score and meets all the mandatory requirements set out in the procurement documents.

## 9. Establishing and Awarding Contracts

The following applies to all procurement contracts over the value of $10,000 between the Society and a supplier, regardless of the procurement method.

a. **Elements of a contract**

A procurement contract must:

i. Include a tariff rate structure, if applicable;
ii. Set out payment and service terms;
iii. Include appropriate cancellation or termination clauses;
iv. Include dispute resolution clauses consistent with procurement documentation; and
v. Consider inclusion of assessment, cancellation, or termination clauses at specific life cycle stages of the procurement for complex procurements, including the provision of professional services.

Contracts for services, in addition to (i)(ii)(iii), must also include:

vi. Clear terms of reference, including objectives, background, scope, constraints, staff responsibilities, tangible deliverables, timing, progress reporting, approval requirements, and knowledge transfer requirements; and
vii. Rules for expense claims and reimbursement that comply with the Broader Public Sector Expense Directive.

b. **Entering into a contract**

i. The agreement between the Society and the successful supplier must be formally defined in a signed written contract before the provision of goods or services commences, as follows:
   1) Where the procurement documents included a form of agreement, that form must be used to finalize the agreement; or
   2) Where an alternative procurement strategy has been used without a form of agreement included in the procurement documents, the agreement between the Society and the supplier must be formally defined in a signed contract before delivery of the goods or services.
ii. Where there is an immediate need for goods or services, and the Society and supplier are unable to finalize the contract as described in (i) above, an interim purchase order may be used. The justification for such a decision must be documented and approved by the appropriate signing authority.
iii. Financial representation, in the person of the Director of Information Technology, Administration, and CFO or delegate, is required in negotiating contracts involving significant financial risks or obligations.
iv. Contracts or agreements, if tailored to meet specific circumstances, may be drafted with the assistance of external consultants or lawyers.
v. Contracts must be consistent with the pre-approved budget.
vi. Timing for the negotiation, review, and approval of any specific contract is

determined by the senior management staff overseeing the contract or agreement. In general, enough time must be allowed for careful consideration, in advance, of all implications of agreements, but timing of the review and approval process must ensure that the Society does not lose any opportunities to protect its interests through prompt action.

c. **Contract Signing Authority**
   i. Authority to enter into contracts is governed by the Society's by-law provisions concerning the execution of documents, which, in general, permit the Executive Officers of the Board of Directors, the CEO, or any two members of the Board of directors to sign documents and bind the Society.
   ii. The provisions further permit the Board, from time to time, to appoint any officer or officers or any person or persons, on behalf of the Society, to sign documents generally or to sign specific documents.
   iii. Contracts must be signed by two (2) management staff who are at least at the manager or service director level, with primary authority over the subject matter of the contract and in compliance with the Society's policy: Spending Approval Authority (01:04:01).

d. **Modifications**

Modifications to the terms of an agreement in a contract may only be made where:
   i. The terms of agreements and options to extend the agreement have been set out in the original procurement documents. Extensions beyond those set out in the procurement documents where the extension affects the value and/or stated deliverables of the procurement will be considered non-competitive procurements; and
   ii. Modifications must be approved by the appropriate authority in accordance with the Society's policy: Spending Approval Authority (01:04:01) before executing any modifications to the terms of the agreement.

e. **Notification**
   i. Contract awards must be publicly posted for procurements valued at $121,200 or more in the same manner as the procurement documents were posted. This award notification will:
      1) Be posted after the agreement for delivery of goods/services has been finalized;
      2) Include the name of the successful supplier;
      3) Include the start and end dates of the agreement; and
      4) Include information on extension options.
   ii. For procurements in excess of $121,200, the Society must inform all unsuccessful suppliers of their entitlement to a supplier debriefing. The Society must allow unsuccessful suppliers sixty (60) calendar days following the contract award notification date to request a briefing.

## 10. Contract Management and Documentation

a. **Contract review and management**
   i. Contractual review applies to the Society both as a provider and as a purchaser of services and goods.
   ii. Management staff with primary authority over the subject matter of the contract periodically reviews the services and goods received or offered by the agency under contract, especially when a significant new contract is being entered into or when the terms of an existing contract call for renewal. This is to ensure that:
      1) All procurements and the resulting contracts are managed responsibly and effectively;
      2) Payments are made in accordance with the terms of the contract. Invoices must include detailed information sufficient to warrant payment, and any overpayments must be recovered in a timely manner;

3) Assignments are properly documented. Supplier performance is managed and documented, and any performance issues must be addressed;
4) Disputes are managed with suppliers throughout the life of the contract in accordance with the dispute resolution process in the contract; and
5) Expense claims and reimbursement rules must comply with the Broader Public Sector Expenses Directive and be reimbursed in accordance with these rules. Expenses may only be claimed and reimbursed where the contract explicitly provides for reimbursement of expenses.

iii. Review of services under contract must be conducted in a cost effective manner. That is, any review of services provided both in terms of staff time and in terms of dollars spent on external consultants should be in proportion to the value or cost of the service provided. The approach must use the most appropriate and reasonable approach in the circumstances, such as tendering, requesting proposals, or formal and informal comparisons with similar services or goods offered by other organizations.

b. **Documentation**

Staff must safeguard, retain, and dispose of supplier confidential and commercially sensitive information in accordance with the Society's information management policies. The following procurement documentation and other pertinent information must be retained in a recoverable format for seven (7) years:

i. Procurement justification or business case;
ii. Records of approvals;
iii. Evidence of receipt of deliverables;
iv. Where the purchase was via a Vendor of Record, information concerning the process used to select the supplier;
v. Advertisements, RFI, supplier pre-qualification;
vi. All responses and submissions;
vii. Supplier consultations;
viii. Evaluations;
ix. Awards;
x. Contracts; and
xi. Payments.

Notes:

1. **Invitational or closed procurement** refers to procurements where a specific list of suppliers/vendors are invited to bid.
2. **Competitive procurement** refers to proposal/quotations/bids being sought from vendors for the selection of vendors delivering goods and services.
3. **Open procurement** refers to an inclusive process where proposals will be received from any interested bidders.
4. **Consulting services** refers to the provision of expertise or strategic advice that is presented for consideration and decision-making for the purpose of procurement; it does not include services like training, psychological consultation services.
5. **U.S. business** refers to a business which has its headquarters or main office in the U.S. and it employs fewer than 250 full-time employees in Canada at the time of procurement.
6. A **Vendor of Record (VOR)** is a pre-qualified supplier selected through a competitive process to provide specific goods or services under defined terms, conditions, pricing, and timeframe. Once established, eligible Ontario public sector organization can use the VOR arrangement without conducting an open procurement by initiating a second-stage selection among the listed vendors for their procurement.

**Cross References**

Society policy:
Spending Approval Authority (01:04:01)

Broader Public Sector Accountability Act, 2010

Building Ontario Businesses Initiative Act, 2022

Broader Public Sector Procurement Directive (April 1, 2024)

Canada Free Trade Agreement

Procurement Restriction Policy, Government of Ontario

**Attachments**

Attachment - Exceptions & Exemptions: Limited Tendering & Non-Application Exemption Codes under the Canada Free Trade Act (CFTA)