

Title:	Procurement Policy		
Policy Group: Your Government and People	Policy Administrator: Finance		
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SECTION 1 – PURPOSE AND PRINCIPLES

1.1 Purpose

The purpose of this policy is to detail the principles, procedures, roles, and responsibilities for the County's Procurement operations.

1.2 Principles

The County is committed to conducting its Procurement operations in accordance with the following principles:

- (a) compliance and consistency with applicable legislation, trade agreements, policies, and procedures;
- (b) open, fair, and transparent processes that afford equal access to all qualified Suppliers;
- (c) reciprocal non-discrimination and geographic neutrality with respect to its trading partners in accordance with trade treaty obligations;
- (d) achieving best value through consideration of the full range of Procurement formats and the adoption of commercially reasonable business practices;
- (e) effective balance between accountability and efficiency; and
- (f) ensuring adherence to the highest standards of ethical conduct.

SECTION 2 – INTERPRETATION AND APPLICATION

2.1 Defined Terms

Terms used in this policy are defined in the following Glossary of Terms:

GLOSSARY OF TERMS

“Bid” means a submission in response to a Solicitation Document, and includes proposals, quotations, or responses.

“Bidder” means a Supplier that submits a Bid, and includes proponents and respondents.

“Competitive Process” means the solicitation of Bids from multiple Suppliers.

“Conflict of Interest” means:

- (a) when applied to the activities of the County and its consultants and service providers: (i) a conflict between one’s private interests and one’s public, fiduciary, or contractual duties in relation to any procurement activity; or (ii) engaging in any conduct that may give another party an unfair advantage in a procurement process; or
- (b) in relation to a bidding process, a Bidder has an unfair advantage or engages in conduct, directly or indirectly, that may give it an unfair advantage, including, but not limited to: (i) having, or having access to, confidential information of the County in the preparation of its Bid that is not available to other Bidders; (ii) having been involved in the development of the Solicitation Document, including having provided advice or assistance in the development of the Solicitation Document; (iii) receiving advice or assistance in the preparation of its response from any individual or entity that was involved in the development of the Solicitation Document; (iv) communicating with any person with a view to influencing preferred treatment in the bidding process (including, but not limited to, the lobbying of decision-makers involved in the bidding process); or (v) engaging in conduct that compromises, or could be seen to compromise, the integrity of the open and competitive bidding process or render that process non-competitive or unfair; or
- (c) in relation to the performance of its contractual obligations, a Supplier’s other commitments, relationships, or financial interests: (i) could, or could be seen to, exercise an improper influence over the objective, unbiased, and impartial exercise of its independent judgement; or (ii) could, or could be seen to, compromise, impair, or be incompatible with the effective performance of its contractual obligations.

“Contract” means a commitment by the County for the Procurement of Deliverables from a Supplier, which may be evidenced by an agreement executed by the Supplier and the County, or a Purchase Order issued by the County to the Supplier.

“Contract Administrator” means an employee assigned to the management of a Contract.

“Council” means the elected governing body of a municipality, consisting of officials (councilors and a mayor) responsible for making decisions on local services, policies, and finances.

“County” means the Corporation of the County of Prince Edward.

“County Head” means the Chief Administrative Officer (CAO) who is responsible for the County.

“Deliverables” means any goods, services, or construction, or combination thereof.

“Department” means the branch, department, division, or unit of the County that is requisitioning the purchase of the Deliverables.

“Department Head” means an employee who is a supervisor or manager within a sub-department who has been assigned delegated authority

“Department Lead” means the Department employee assigned primary responsibility for a procurement.

Department Designate means a staff member within a Department reporting to a Director or Department Head who has been assigned delegated authority.

“Director” means an individual officer or employee who is responsible for a specific Department(s).

“Head of Purchasing Division” means the individual officer or employee who is responsible for Purchasing Division.

“Invitational Competition” means a Competitive Process in which an invitation to submit Bids is issued to at least three Suppliers.

“Legal Services” means the County’s internal or external legal advisors.

“Low-Value Procurement” means any Procurement of Deliverables with a value below the Low-Value Procurement Threshold set out in the Procurement Policy, except where the Procurement is made through an existing Standing Offer or Qualified Supplier Roster.

“Low-Value Procurement Threshold” means the maximum value for a Procurement of Deliverables that the County may procure without proceeding with an Open Competition.

“Master Framework Agreement” means a master agreement entered into between the County and the prequalified Suppliers that have been included on a Qualified Supplier Roster.

“Non-Standard Procurement” means the acquisition of Deliverables through a process or method other than the standard method required for the type and value of the Deliverables. Non-standard Procurement methods include:

- (a) acquiring Deliverables directly from a particular Supplier without conducting a Competitive Process when an Invitational Competition or an Open Competition would normally be required; and
- (b) soliciting Bids from a limited number of Suppliers without conducting an open prequalification process when an Open Competition would normally be required.

“Open Competition” means the solicitation of Bids through a publicly posted Solicitation Document.

“Open Competition Threshold” means the minimum value for a Procurement of that the County must procure using an Open Competition.

“Open Framework Competition” means the Competitive Process used to establish a Qualified Supplier Roster and provide for an ongoing application process during the term of the Qualified Supplier Roster, as further described in the Qualified Supplier Roster Protocol.

“Performance Evaluation Report” means a report evaluating a Supplier’s performance in accordance with the Supplier Performance Evaluation Protocol.

“Procurement” means the acquisition of Deliverables by purchase, rental, or lease.

“Procurement Plan” means the plan developed by a Department at the outset of an Invitational Competition or Open Competition in accordance with the Competitive Procurement Planning Protocol.

“Procurement Oversight Group” (“POG”) means the Group established by the County under the Procurement Policy for the purposes of providing procurement-related oversight and making determinations on procurement-related matters.

“Procurement Value” means the maximum total value of the Deliverables being procured, and it must include all costs to the County, including, as applicable, acquisition, maintenance, replacement, and disposal; training, delivery, and installation; and extension options, less applicable rebates or discounts and exclusive of sales taxes.

“Purchase Order” means the County’s written document issued by a duly authorized employee of the County to a Supplier formalizing all the terms and conditions of the purchase and supply of the Deliverables identified on the face of the Purchase Order.

“Purchasing Card” means a credit card provided by the County to authorized officers and employees for use as a payment method to purchase directly from Suppliers where permitted under the Procurement Policy and in accordance with any cardholder agreement and applicable procedures.

“Purchasing Division” means the branch, department, division, or unit responsible for purchasing Deliverables for the County.

“Qualified Supplier Roster” means a list of Suppliers that have participated in and successfully met the requirements of a Request for Supplier Qualifications (“RFSQ”) and have therefore been prequalified to perform discrete work assignments involving the delivery of a particular type of deliverable. The Suppliers that qualify for inclusion on the Qualified Supplier Roster will enter into a Master Framework Agreement and will be eligible to participate in Roster Competitions, as and when the goods or services are required.

“Request for Information” or **“RFI”** means a market research initiative for the collection of data for the purposes of future Procurement planning.

“Roster Competition” means an expedited, invitational competition between Suppliers that have been included on a Qualified Supplier Roster for the selection of a Supplier to perform a discrete work assignment during the term of the roster.

“Solicitation Document” means the document issued by the County to solicit Bids from Bidders.

“Standing Offer” means a written offer from a pre-approved Supplier to supply Deliverables to the County, upon request, through the use of an ordering process during a particular period of time, at a predetermined price or discount, generally within a predefined dollar limit. The Standing Offer does not create a contractual commitment from either party for a defined volume of business. The commitment to purchase against a Standing Offer is formed at the time a specific order is placed through the issuance of a Purchase Order to the Supplier.

“Supplier” means a person carrying on the business of providing Deliverables.

“Total Cumulative Increase” means the total value of all increases to the original Procurement Value, including the value of all previously approved amendments and the value of the proposed amendment.

2.2 Application

This policy applies to the Procurement of all Deliverables with the exception of the exclusions set out below:

SCHEDULE OF EXCLUSIONS

2.2.1. Excluded Acquisitions and Expenditures

This policy does not apply to:

- (a) Contracts or agreements for the sale, purchase, lease, or licence of land or existing buildings, including but not limited to the Procedure FI-270-A Disposal of Surplus Assets Donated Items and Scrap.
- (b) the acquisition of the following Deliverables:
 - i. services provided by licensed lawyers or notaries valued under the applicable thresholds under the *Comprehensive Economic and Trade Agreement*;
 - ii. services of expert witnesses or factual witnesses used in court of legal proceedings;
 - iii. goods intended for resale to the public;
 - iv. goods purchased on a commodity market;
 - v. works of art; and
 - vi. subscriptions to newspapers, magazines, or other periodicals.
- (c) Contracts or agreements relating to hiring of employees or employee compensation or reimbursement of employee expenses.
- (d) payment of the County's general expenses.

Procurement includes the acquisition of Deliverables by purchase, rental, or lease.

2.3 Authorization Schedule

The County Head shall establish an Authorization Schedule as set out in the Oversight and Delegation Protocol establishing the authorities for:

- (a) initiating a procurement;
- (b) conducting a Procurement process and approving the award of a Contract;
- (c) issuing Purchase Orders and signing Contracts on behalf of the County; and
- (d) approving amendments to existing Contracts.

2.4 Procurement Protocols and Procedures

Purchasing Division is responsible for developing and maintaining detailed protocols and procedures to support this policy. All procurements covered by this policy must be conducted in accordance with all applicable protocols and procedures.

2.5 Emergency Purchases

Notwithstanding any other provisions of this policy, where an emergency exists and prior approval of the Head of Purchasing Division cannot be obtained, a Director, or their designate, may authorize any officer or employee to acquire required Deliverables in an expedited manner.

For the purposes of this policy, an emergency exists when an unforeseeable situation or event occurs that is a threat to any of the following:

- (a) public health and/or safety;
- (b) the maintenance of essential services;
- (c) the welfare of persons or public property; or
- (d) the security of the County's interests.

Situations of urgency resulting from the failure to properly plan for a Procurement do not constitute an emergency. When using this section, the Director, or their delegate, shall ensure that a formal contract and other required procurement records are created in accordance with the Non-Standard Procurement Protocol prior to contract performance or, where not feasible in cases of extreme urgency, as soon thereafter as is reasonably possible.

SECTION 3 – ETHICAL CONDUCT AND CONFLICTS OF INTEREST

3.1 Conduct and Conflicts of Interest

The County's Procurement activities must be conducted with integrity, and all individuals involved in the County's Procurement activities must act in a manner that is consistent with the principles and objectives of this policy.

All participants in a Procurement process, including any outside consultants or other service providers participating on behalf of the County, must declare any perceived, potential, or actual Conflicts of Interest and must recuse themselves from participating in any manner in a Procurement Process to which the perceived, potential, or actual conflict of interest applies unless that conflict has been properly mitigated in accordance with the Conflict of Interest Protocol.

For greater clarity, it is the responsibility of all members of Council to disclose any perceived, potential, or actual procurement-related Conflict of Interest and, when the conflict is raised by a member of Council, to address that conflict in accordance with the procedures established by Council. Where Council has established conflict procedures, those procedures shall apply to the declared conflict.

3.2 Supplier Conduct and Conflicts of Interest

The County requires its Suppliers to act with integrity and conduct business in an ethical manner.

All Suppliers participating in a Procurement process or providing Deliverables to the County must declare any perceived, potential, or actual Conflicts of Interest and must conduct themselves in accordance with the Supplier Code of Conduct set out below.

The County may refuse to do business with any Supplier that has engaged in illegal or unethical bidding practices, has an actual or potential conflict of interest or an unfair advantage, or fails to adhere to ethical business practices.

SUPPLIER CODE OF CONDUCT

The County requires its Suppliers to act with integrity and conduct business in an ethical manner. The County may refuse to do business with any Supplier that has engaged in illegal or unethical bidding practices, has an actual or potential conflict of interest or an unfair advantage, or fails to adhere to ethical business practices.

Suppliers are responsible for ensuring that any employees, representatives, agents, or subcontractors acting on their behalf conduct themselves in accordance with this Supplier Code of Conduct. The County may require the immediate removal and replacement of any individual or entity acting on behalf of a Supplier that conducts themselves in a manner inconsistent with this Supplier Code of Conduct. The County may refuse to do business with any Supplier that is unwilling or unable to comply with such requirement.

A. ILLEGAL OR UNETHICAL BIDDING PRACTICES

Illegal or unethical bidding practices include:

- (a) bid-rigging, price-fixing, bribery or collusion, or other behaviours or practices prohibited by federal or provincial statutes;
- (b) offering gifts or favours to the County's officers, employees, appointed or elected officials, or any other representative of the County;
- (c) engaging in any prohibited communications during a Procurement process;
- (d) submitting inaccurate or misleading information in a Procurement process; and
- (e) engaging in any other activity that compromises the County's ability to run a fair Procurement process.

The County will report any suspected cases of collusion, bid-rigging, or other offences under the *Competition Act* to the Competition Bureau or to other relevant authorities.

B. CONFLICTS OF INTEREST

All Suppliers participating in a Procurement process must declare any perceived, potential, or actual conflicts of interest.

The term "conflict of interest," when applied to Suppliers, includes any situation or circumstance where:

- (a) in the context of a Procurement process, the Supplier has an unfair advantage or engages in conduct, directly or indirectly, that may give it an unfair advantage, including but not limited to:

- i. having, or having access to, confidential information of the County that is not available to other Suppliers;
 - ii. having been involved in the development of the Procurement document, including having provided advice or assistance in the development of the Procurement document;
 - iii. receiving advice or assistance in the preparation of its response from any individual or entity that was involved in the development of the Procurement document;
 - iv. communicating with any person with a view to influencing preferred treatment in the Procurement process (including but not limited to the lobbying of decision-makers involved in the Procurement process); or
 - v. engaging in conduct that compromises, or could be seen to compromise, the integrity of an open and competitive Procurement process or render that process non-competitive or unfair; or
- (b) in the context of performance under a potential Contract, the Supplier's other commitments, relationships, or financial interests:
- i. could, or could be seen to, exercise an improper influence over the objective, unbiased, and impartial exercise of its independent judgment; or
 - ii. could, or could be seen to, compromise, impair, or be incompatible with the effective performance of its contractual obligations.

Where a Supplier is retained to participate in the development of a Solicitation Document or the specifications for inclusion in a Solicitation Document, that Supplier will not be allowed to respond, directly or indirectly, to that Solicitation Document.

C. ETHICAL BUSINESS PRACTICES

In providing Deliverables to the County, Suppliers are expected to adhere to ethical business practices, including:

- (a) performing all Contracts in a professional and competent manner and in accordance with the terms and conditions of the Contract and the duty of honest performance;
- (b) complying with all applicable laws, including safety and labour codes (both domestic and international as may be applicable); and
- (c) providing workplaces that are free from harassment and discrimination.

SECTION 4 – ROLES AND RESPONSIBILITIES

4.1 Role and Responsibilities of the County Head

It is the role of the County Head to establish policy and approve expenditures through the County's budget-approval process. Through this policy, the County Head delegates to the County's officers and employees the authority to incur expenditures in accordance with approved budgets through the Procurement of Deliverables in accordance with the rules and processes set out in this policy and applicable protocols and procedures. The County Head may provide strategic direction and guidance on major projects prior to the commencement of the Procurement process; however, the County Head will not generally be involved in the day-to-day Procurement operations or individual Procurement processes, except to the extent that the approval of the County Head is required under this policy or in the event that an exception to this policy is required.

4.2 Roles and Responsibilities of Officers and Employees

Specific responsibilities pertaining to all stages of a Procurement process, from the initial identification of requirements through to the management of Contracts with Suppliers, are detailed in this policy and applicable protocols and procedures. In addition to those specific responsibilities, the general roles and responsibilities delegated to the County's officers and employees are set out below.

4.2.1 Head of Purchasing Division

It is the role of Purchasing Division to lead the County's Procurement operations. In fulfilling this role, the Head of Purchasing Division, or designate, is responsible for:

- (a) ensuring the consistent application of this policy and the provision of Purchasing Division to the Departments efficiently and diligently;
- (b) in collaboration with Departments and in co-ordination with the Procurement Oversight Group, developing an annual procurement plan to help facilitate proactive procurement planning across the organization and to help identify major projects requiring the creation of project-specific oversight steering committees;
- (c) developing Procurement strategies and continually analyzing business requirements and spending patterns to identify opportunities for more strategic sourcing, including the creation of new Qualified Supplier Rosters to consolidate purchasing opportunities and to reduce instances of emergency procurements and Non-Standard Procurements;
- (d) monitoring and reporting non-compliance and Conflicts of Interest in accordance with this policy;
- (e) researching, developing, maintaining, updating, and communicating Procurement protocols, procedures, and templates;

- (f) addressing any issues or concerns that arise in respect of a Procurement process and seeking guidance, support, and advice of Legal Services, as required; and
- (g) developing an annual procurement training plan for the organization and providing appropriate orientation, training, and tools to employees involved in Procurement activities.

4.2.2 Directors

It is the role of the Departments to ensure that their requirements for Deliverables are met in accordance with the principles and objectives of this policy. In fulfilling this role, Directors are responsible for ensuring that their Department complies with this policy and all applicable protocols and procedures, encouraging sound Procurement practices and ensuring the provision of appropriate education and training to employees involved in Procurement activities.

Directors will be held accountable for any decision to proceed with a Procurement process or transaction that is not conducted in accordance with this policy or does not have the approval of Purchasing Division.

4.2.3 Department Employees

Employees of all Departments are responsible for complying with this policy. Department employees involved in Procurement activities must understand their obligations and responsibilities under this policy and all applicable protocols and procedures, and they should consult with Purchasing Division in respect of any questions regarding the application or interpretation of this policy or any relevant procedures.

4.2.4 Purchasing Division Employees

Employees of Purchasing Division are responsible for complying with this policy and ensuring this policy and all protocols and procedures are applied consistently. Purchasing Division employees must understand their obligations and responsibilities under this policy and all applicable protocols and procedures, and they should consult with the Head of Purchasing Division in respect of any questions regarding their application or interpretation.

4.2.5 Legal Services

It is the role of Legal Services to provide legal advice and assistance on the County's Procurement activities and its relationships with Suppliers. In fulfilling this role, Legal Services is responsible for:

- (a) advising the Head of Purchasing Division as required on legal issues arising from Procurement activities and reviewing and approving specific Solicitation Documents and related documentation referred for legal review by the Head of Purchasing Division;

- (b) providing advice on the finalization of Contracts and agreements and reviewing and advising on proposed changes to the County's standard terms and conditions, legal agreements, and Solicitation Document templates; and
- (c) providing legal advice and counsel to the County in the event of a Contract dispute or legal challenge flowing from a Procurement process.

4.3 Procurement Oversight Group

The County will establish a Procurement Oversight Group ("POG") for the purpose of:

- (a) making determinations in relation to Conflicts of interest, Non-Standard Procurement, procurement protests and supplier suspensions in accordance with: (i) the Conflict of Interest Protocol; (ii) the Non-Standard Procurement Protocol; (iii) the Procurement Protest Protocol; and (iv) the Supplier Suspension Protocol;
- (b) providing oversight as the steering committee for all Open Competitions, unless a project-specific oversight steering committee is created for a specific procurement, in accordance with the Oversight and Delegation Protocol;
- (c) monitoring for non-compliance in accordance with Section 9 – Compliance Monitoring and Reporting; and
- (d) providing input on other Procurement matters that may be referred to it by the Head of Purchasing Division.

The POG will include the Head of Purchasing Division and at least two other senior-level officers or employees of the County, and for the purposes of the Oversight and Delegation Protocol, will also include the Director responsible for the specific Procurement in question. Legal Services will provide guidance and advice to the POG, as required.

SECTION 5 – ESTABLISHMENT OF SUPPLY ARRANGEMENTS

5.1 Recurring Requirements

Before initiating a procurement, Departments must consider the availability of existing supply arrangements. If the Deliverables will be required on a frequent or regularly recurring basis, and there is no existing supply arrangement, the Department must consult with Purchasing Division about the possibility of establishing a Standing Offer or Qualified Supplier Roster.

5.2 Standing Offers

Standing Offers may be established for standardized Deliverables to be purchased by all Departments, where:

- (a) the requirements for Deliverables are recurring and predictable over an extended period of time;

- (b) the requirements are standard and clearly defined at the time of establishment of the Standing Offer; and
- (c) it is possible to fix pricing for the Deliverables for the duration of the Standing Offer.

The establishment of a Standing Offer does not create a contractual commitment to procure Deliverables from the Supplier. The commitment to purchase against a Standing Offer is formed at the time a specific order is placed through the issuance of a Purchase Order to the Supplier.

The Head of Purchasing Division is authorized to establish Standing Offers through an Open Competition. The Open Competition will be managed by Purchasing Division, with the co-operation and involvement of subject-matter experts from the relevant Department(s). If multiple Standing Offers are established for the same goods or services, clear ranking methodologies and call-up procedures must be specified.

5.3 Qualified Supplier Rosters

Qualified Supplier Rosters may be established to prequalify Suppliers that will be eligible to compete for discrete work assignments involving the delivery of a particular type of Deliverables, as and when required.

The establishment of a Qualified Supplier Roster does not create a contractual commitment to procure Deliverables from any of the Suppliers. When Deliverables are required, a Roster Competition will be conducted for the purposes awarding a contract to one of the qualified Suppliers.

The Head of Purchasing Division is authorized to conduct Open Framework Competitions to establish Qualified Supplier Rosters. The Open Framework Competition will be managed by Purchasing Division, with the co-operation and involvement of the Department(s), in accordance with the Qualified Supplier Roster Protocol.

5.4 Co-operative Purchasing

The County may participate in co-operative or joint purchasing initiatives with other entities where such initiatives are determined to be in the best interests of the County. If the County participates in such co-operative or joint purchasing initiatives, the County may adhere to the policies of the entity conducting the purchasing process, provided that such policies comply in spirit with this policy. If the County is leading a co-operative or joint purchasing initiative, this policy will be followed. When engaging in co-operative purchasing, the County, and more specifically the Director, shall adhere to the Piggy-Backing Protocol.

SECTION 6 – PROCUREMENT OF DELIVERABLES

6.1 Procurement Planning

Effective Procurement planning is essential to ensuring an effective result and to limiting risk to the County. Departments must ensure that they leave sufficient time to plan for a procurement, including time for:

- (a) developing proper specifications and business requirements;
- (b) obtaining internal reviews;
- (c) conducting a Competitive Process, as required; and
- (d) obtaining necessary approvals.

Departments must follow the Procurement Planning Protocol.

6.2 Market Research

Where the Department is uncertain about the Deliverables required or where there is insufficient internal knowledge about the market, the Department must consult with Purchasing Division about conducting a Request for Information (“RFI”) process. Where it is determined that an RFI would assist in planning for a future procurement, an RFI process must be openly posted in order to gather market research from prospective Bidders. It must not be used as a prequalification tool.

6.3 Procurement Value

It is important to accurately estimate the value of the Procurement to determine the appropriate Procurement method and ensure compliance with the requirements of this policy. Departments must refer to the Procurement Planning Protocol for additional guidance on determining the Procurement Value.

6.4 Contract-Splitting

Subdividing, splitting or otherwise structuring Procurement requirements or contracts in order to reduce the value of the Procurement or in any way circumvent the requirements or intent of this policy is not permitted.

6.5 Initiating Procurement

Unless specifically permitted under this policy or the Procurement protocols or procedures, Departments are not permitted to procure Deliverables or engage with potential Suppliers regarding the Procurement of Deliverables without the involvement of Purchasing Division. All procurements must be initiated in accordance with the Procurement Planning Protocol.

6.6 Procurement Authorization

Before any Procurement process begins, authorization of the Procurement and delegation of authority to procure must be obtained in accordance with the Authorization Schedule.

6.7 Standard Procurement Methods

Depending on the nature, value, and circumstances of the procurement, the County may procure Deliverables through the following standard Procurement methods. The various thresholds are set out below:

Procurement Thresholds

Table 1 – Low-Value Procurement Thresholds

Goods	Below \$25,000
Services	Below \$25,000

Construction	Below \$25,000
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Table 2 – Invitational Competition Thresholds

Goods	\$25,000 to \$100,000
Services	\$25,000 to \$100,000
Construction	\$25,000 to \$100,000

Table 3 – Open Competition Thresholds

Goods	\$100,000 and above
Services	\$100,000 and above
Construction	\$100,000 and above

6.7.1 Existing Supply Arrangement

6.7.1.1 Ordering from Standing Offer

When a Standing Offer is available, its use is mandatory for all Departments. To purchase from the Standing Offer, the Department must submit an authorized Purchase Order requisition to Purchasing Division. A purchaser order referring to the Standing Offer details should be created and sent to the Supplier. The Purchase Order referencing the Standing Offer and reflecting the pre-negotiated prices and terms and conditions of the Standing Offer will be created and issued to the Supplier by the Head of Purchasing Division.

6.7.1.2 Roster Competition

If the Deliverables are available under an existing Qualified Supplier Roster, they must be acquired through a Roster Competition.

Roster Competitions will be managed by Purchasing Division, with the co-operation and involvement of the Department, in accordance with the Qualified Supplier Rosters Protocol.

6.7.2 Low-Value Procurement

Where the Procurement Value is below the Low-Value Procurement Threshold and the Deliverables are not covered under an existing Standing Offer or Qualified Supplier Roster, Departments may make Low-Value Procurements without the involvement of Purchasing Division.

It is the responsibility of the Department to determine if there is an existing Standing Offer or Qualified Supplier Roster for the required Deliverables before making a purchase. When available, the Deliverables must be purchased in accordance with the terms of the Standing Offer and in accordance with the Qualified Supplier Rosters Protocol.

For Low-Value Procurements, the Department is only required to obtain one quote and may acquire the Deliverables using petty cash or a corporate purchasing card or by issuing a Purchase Order .

Where practical, departments are encouraged to obtain multiple quotes to ensure they are obtaining best value. Quotes may be obtained through advertisements or Supplier catalogues or by contacting the potential Supplier(s) by telephone or email.

The Director is responsible and accountable for Low-Value Procurements and may authorize specific individuals within the Department to make Low-Value Procurements and may assign specific spending authority limits.

If a Department anticipates making multiple Low-Value Procurements of the same Deliverables and the total value of those purchases may exceed the applicable Low-Value Procurement Threshold, the department must contact Purchasing Division to discuss the possibility of setting up a Standing Offer or Qualified Supplier Roster.

The Purchasing Division is available to assist Departments with Low-Value Procurements, and Departments may request assistance from the Purchasing Division to conduct an Invitational Competition for any Low-Value Procurement.

6.7.3 Invitational Competition

An Invitational Competition, in which Bids are solicited from a minimum of three Suppliers, is the standard method of Procurement when the Procurement Value is between the Low-Value Procurement Threshold and the Open Competition Threshold.

Invitational Competitions will be managed by Purchasing Division, with the co-operation and involvement of the Department, in accordance with the Invitational Competition Protocol.

Purchasing Division may delegate the authority to conduct an Invitational Competition to a Department, on either a standing basis or a case-by-case basis. Where a Department has delegated authority to conduct an Invitational Competition, the Director is responsible and accountable for ensuring that the process is conducted in accordance with this policy and, more specifically, in accordance with the Invitational Competition Protocol.

Open Competition may be conducted in lieu of an Invitational Competition, where the Head of Purchasing Division, in consultation with the Department, determines that it would be in the County's best interest.

6.7.4 Open Competition

An Open Competition, in which Bids are solicited from all interested Suppliers through a publicly posted Solicitation Document, is the standard method of Procurement when the Procurement Value equals or exceeds the Open Competition Thresholds.

Open Competitions must also be used to establish Standing Offers.

Open Competitions may include two-stage Procurement processes in which a prequalification process is conducted by soliciting and evaluating submissions from all interested Suppliers in order to establish a short list of prequalified Suppliers that will be eligible to submit a Bid in response to a second-stage Solicitation Document. A two-stage Procurement process may be used whenever determined appropriate by the Head of Purchasing Division, in consultation with the Department.

Open Competitions will be managed by Purchasing Division, with the co-operation and involvement of the Department, in accordance with this policy and, more specifically, in accordance with the Open Competition Protocol and the other protocols incorporated therein.

6.8 Non-Standard Procurement

Non-Standard Procurement means the acquisition of Deliverables through a method other than the standard method for the type and value of the Deliverables, as set out above under Section 6.7.

Non-standard Procurement methods include:

- (a) acquiring Deliverables directly from a particular Supplier without conducting a Competitive Process when an Invitational Competition or an Open Competition would normally be required; and
- (b) soliciting Bids from a limited number of Suppliers without conducting an open prequalification process when an Open Competition would normally be required.

The use of a Non-Standard Procurement process is permitted only under the specific circumstances established in the Non-Standard Procurement Protocol.

Under no circumstances will a Non-Standard Procurement be used for the purpose of avoiding competition among Suppliers or in a manner that discriminates against or advantages Suppliers based on geographic location. For greater certainty:

- (a) the Director will remain responsible for ensuring Open Competition, or at minimum, Invitational Competition, whenever feasible even in circumstances where direct awards would otherwise be recognized under the applicable trade treaties; and
- (b) the Conflict of Interest rules and Conflict of Interest Protocol will apply to all Non-Standard Procurements.

6.9 Contract Award and Finalization

Contracts must be awarded in accordance with this policy and the applicable protocol(s) governing the Procurement process and must be authorized in accordance with the Authorization Schedule.

A Contract may be entered into through the execution of a legal agreement and/or the issuance of a Purchase Order evidencing the contract. The Contract must be entered into prior to the delivery or provision of the Deliverables.

The Head of Purchasing Division has delegated authority to issue Purchase Orders on behalf of the County. Agreements must be signed in accordance with the Authorization Schedule.

No Contract may be entered into, either through the issuance of a Purchase Order or the execution of an agreement, unless:

- (a) approved funding in an amount sufficient to cover the Procurement Value is available;
- (b) the Procurement process was conducted in accordance with this policy; and
- (c) applicable protocols and all required authorizations have been obtained.

SECTION 7 – SUPPLIER RELATIONS AND CONTRACT MANAGEMENT

7.1 Debriefings

Where the County has conducted an Open Competition, unsuccessful Suppliers may request a debriefing. Debriefings must be conducted in accordance with the procedures established by Purchasing Division and in accordance with Bidder Debriefing Protocol.

7.2 Procurement Protests

Suppliers may formally protest the outcome of a Procurement process. Procurement protests must be managed and responded to in accordance with procedures established by Purchasing Division and in accordance with the Procurement Protest Protocol.

7.3 Contract Management

All contracts for Deliverables must be managed by the Department in accordance with the Contract Management Protocol. Master Framework Agreements will be managed by Purchasing Division in accordance with the Qualified Supplier Rosters Protocol.

7.4 Contract Extensions or Amendments

Contract extensions and amendments must not be used to expand a Contract beyond what was contemplated under the terms of the Contract and the original Procurement process or to circumvent the need to procure additional Deliverables through a Competitive Process in accordance with this policy.

If a Contract amendment results in a net increase to the Contract value previously approved, the amendment must be approved in accordance with the Contract Management Protocol and the Authorization Schedule.

7.5 Supplier Performance

The performance of a Supplier under Contract must be monitored by the Department in accordance with the Supplier Performance Evaluation Protocol.

7.6 Supplier Suspension

Suppliers can be suspended from participating in future Procurement processes in accordance with the procedures established by Purchasing Division and in accordance with the Supplier Suspension Protocol.

SECTION 8 – PROCUREMENT RECORD-KEEPING

8.1 Supplier Information

The County must ensure that Supplier information submitted in confidence in connection with a Procurement process or Contract is adequately protected. Purchasing Division and the Departments must ensure that all Bids and contracts are kept in a secure location and are only accessible by those individuals directly involved with the Procurement or management of the contract.

8.2 Procurement Records

The maintenance, release, and management of all Procurement records must be in accordance with the County's policies and procedures on document management and access to information.

For Procurements run by a Department, the Department is responsible for ensuring that all documentation relating to the Procurement is properly filed and maintained in a Procurement project file. When the Purchasing Division runs the Procurement, the Purchasing Division is responsible for ensuring that all documentation relating to a Procurement is properly filed and maintained in a Procurement project file. Documentation and reports regarding Procurement processes and Contract awards (including Non-Standard Procurements) and data necessary to trace the process conducted electronically must be maintained for a minimum period of at least three years from the Contract award date, or such longer period as may be required under the County's document management policies.

SECTION 9 – COMPLIANCE MONITORING AND REPORTING

9.1 Compliance Monitoring

Non-compliance with this policy may expose the County to the risk of Supplier complaints, reputational damage, Bid disputes, and legal challenges, and may compromise the integrity, fairness, openness, and transparency of the process.

The Head of Purchasing Division is responsible for monitoring compliance across the organization. Based on the results of compliance monitoring, reports outlining instances of non-compliance may be issued by the Head of Purchasing Division to the relevant Director. The Director must address the identified compliance concerns and submit a written confirmation of actions taken to the Head of Purchasing Division. Ongoing concerns with respect to compliance will be subject to internal audit and to the additional reporting requirements outlined herein.

9.1.1 Non-Compliance Defined

For the purposes of this section, non-compliance includes:

- (a) a breach of any purchasing card policies and procedures;
- (b) a breach of any codes of conduct involving a Procurement;
- (c) executing a purchase of any kind, including a new purchase, a purchase made through a contract amendment, or a purchase made under an expired contract, without first obtaining the necessary funding authorization and other applicable approvals;
- (d) commencing performance of a contract prior to the formal approval and execution of that contract;
- (e) directly awarding a contract, or engaging in restrictive tendering, in instances where open tendering is required, without first obtaining formal approvals for any such exception to open tendering practices;
- (f) obtaining procurement approvals based on inaccurate or incomplete information or based on material misrepresentations or omissions;
- (g) failing to adhere to requirements of procurement policies or protocols, including non-compliance relating to conflict of interest, proper advanced planning, contract splitting, sole sourcing, and recordkeeping; or
- (h) failing to adhere to the due process standards applicable to the government tendering process, including standards relating to transparency, procedural fairness, non-discrimination, and the protection of confidential supplier information.

9.1.2 Duty to Report and Rectify

Anyone who is aware of a non-compliance in their Department shall immediately report that non-compliance to their Director. Each Director shall immediately report any non-compliance that they are aware of in their department to the Head of Purchasing Division.

The Head of Purchasing Division shall record all reported non-compliance to the Procurement Oversight Group on a quarterly basis and shall, in consultation with that committee:

- (a) develop recommendations for rectification of any such non-compliance; and
- (b) provide a non-compliance and remediation report to County Head on an annual basis.

Directors are required to observe and address non-compliance with this policy within their Departments. Where instances of non-compliance are identified, the Director is expected to notify the Head of Purchasing Division and obtain advice: (a) with respect to mitigating potential risks to the County arising from the non-compliance; and (b) to ensure future non-compliance is avoided.

9.1.3 Procurement Oversight Group

The Procurement Oversight Group shall meet at minimum on a quarterly basis, and more frequently as required, to address non-compliance incidents and develop non-compliance remediation measures that may include, based on the severity of the breach:

- (a) the requirement that the individual(s) involved in the breach complete prescribed procurement remediation training;
- (b) the suspension of the individual(s) involved in the breach from any future procurement-related activities including the use of the purchasing cards or any other involvement in the procurement process;
- (c) additional disciplinary measures as may be appropriate based on consultation with Human Resources and Legal Services;
- (d) a report to law enforcement authorities where the breach in question is of a criminal or quasi-criminal nature, and, for greater certainty, such breaches may include but are not limited to potential breaches of the *Criminal Code* or *Competition Act*.

9.2 Audit

All Procurement activities will be subject to audit by the Finance Department.

9.3 Reporting

The Head of Purchasing Division will prepare and submit to the County Head an annual report summarizing the County's Procurement activities, including:

- (a) Non-standard Procurements;
- (b) Instances of non-compliance as described above; and
- (c) Procurements over \$100,000.