

**PURPOSE**

- To ensure that publicly funded goods and services, including construction, consulting services, and information technology are acquired through a process that is open, fair and transparent.
- To outline responsibilities throughout each stage of the procurement process.
- To ensure that procurement processes are managed consistently.
- To provide guidelines for entering into contracts and to establish internal controls over the authorization of procurement processes.
- To ensure that value for money is received when procuring goods, services, and consulting services.

**SCOPE/  
RESPONSIBILITY  
DEFINITIONS**

The policy applies to all members of the organization. [See Definitions]

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

“Members of the Organization” means all trustees, members of the Board of Directors, senior executives, and employees of Community Living Hamilton (CLH);

”Organization” means every organization that is in scope for the purposes of this Directive;

“Supply Chain Activities” means all activities directly or indirectly related to the Organization’s planning, sourcing, procurement, moving, and payment processes.

“Consultant” means a person or entity that under an agreement, other than an employment contract, provides expert or strategic advice and related services for consideration and decision-making. “Consulting services” means the provision of expertise or strategic advice that is presented for consideration and decision-making.

**POLICY**

Community Living Hamilton (CLH) will implement a Procurement policy in accordance with the Broader Public Sector (BPS) Expenses Directive. This policy will be posted on the CLH website.

**PRINCIPLES**

This Directive is based on the five key principles that allow CLH to achieve

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value for money while following a procurement process that is fair and transparent to all vendors:

**Accountability:**

CLH is accountable for the results of our procurement decisions and the appropriateness of the processes.

**Transparency:**

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

**Value for Money:**

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

**Quality Service Delivery:**

CLH will ensure that front-line services provided by CLH must ensure the right product, at the right time, in the right place.

**Process Standardization:**

CLH will ensure that standardized processes remove inefficiencies and create a level playing field.

**MANDATORY REQUIREMENTS**

**Supply Chain Code of Ethics (Code):**

CLH has formally adopted the Code in accordance with its governance processes. This policy's intent is to establish that the conduct of all CLH staff involved with Supply Chain Activities must be in accordance with the Code.

**Ontario Broader Public Sector (BPS) Supply Chain Code of Ethics**

**Goal:** To ensure an ethical, professional, and accountable BPS supply chain.

**I. Personal Integrity and Professionalism**

Individuals involved with Supply Chain Activities must act, and be seen

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

**II. Accountability and Transparency**

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

**III. Compliance and Continuous Improvement**

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

**PROCEDURES**

CLH will ensure that all contracts entered by, or in the name of Community Living Hamilton (CLH), will follow the requirements set forth in the Broader Public Sector (BPS) Procurement Directive.

**CONTRACTS AND CONSULTANT AGREEMENTS GUIDELINES**

All procurement of goods or services valued between \$10,000 and \$121,199.99 requires an invitational competitive process, with a minimum of three suppliers invited to submit bids. For contracts exceeding \$121,200, an open competitive process is mandatory for both consulting and goods & services procurement.

For consulting services, contracts valued from \$0 up to but not including \$121,200 require either an invitational or an open competitive process.

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All contracts and consultant agreements must align with CLH's mission and vision and adhere to all relevant CLH policies.

#### AUTHORITY TO SIGN CONTRACTS AND CONSULTANT AGREEMENTS

The following thresholds and approval levels are required for the procurement of good, services, and consulting services:

- i. Up to \$300.00 – approval by Managers/Supervisors/Coordinators
- ii. Up to \$1,000.00 – approval by Directors
- iii. \$1,000 - \$121,199 – approval by the Executive Director
- iv. \$121,200 and over – following completion of the required Procurement Process, the selection of the winning bid is done by the senior leadership team (minimum three members) and recommendation is presented to the Executive Director for approval.
- v. For all open tender invitations over \$1,000,000 recommendations must be forwarded to the Executive Director and to the Board of Directors for approval. The requirements must be defined properly and clearly in compliance with the procedures in the BPS Procurement Directive.

#### Levels:

- a) All contracts entered into by CLH that exceed \$5,000 but are under \$1,000,000 and/or binds CLH for more than one year but less than 5 years, must be reviewed and approved by the Executive Director.
- b) All contracts entered into by CLH that exceed \$1,000,000 and/or that bind CLH for more than 5 years must be reviewed by the Executive Director and approved by the Board of Directors.
- c) It is the responsibility of the individual with signing authority involved in the purchase and reimbursement of goods and services to ensure compliance with this policy and procedure. Finance is responsible for verifying that the amount requested is supported by the attached documents and that the signature is by the appropriate signing authority.
- d) The manager/director of the department the purchase is related to approve the requisition. Only individuals with the appropriate level of authority are able to approve the cheque requisition.

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### SIGNING OF CONTRACTS

The Executive Director shall sign each contract. Each contract will be witnessed and dated and may be embossed with the corporate seal.

### LOCATION OF ORIGINAL DOCUMENTS

An original signed copy of all contracts that bind CLH must be provided to the Finance department for filing and monitoring.

### PURCHASE OF SERVICE CONTRACTS

A “purchase of service contract” is a written agreement between CLH and an individual or organization in which specific services are to be provided. The following shall apply to all contracts signed by CLH:

- All purchases are within the approved budget.
- The Board of Directors authorizes the annual expenses of the organization by approving the annual budget.
- For purchases not included in the fiscal budget, the Board of Directors delegates responsibility to the Executive Director. The Board of Directors will be informed of any major purchases that have the potential to affect the direction or financial results of the organization.

Prior to the commencement of any contract, CLH will ensure that:

- contracts are entered into when there is an advantage to the agency by doing so
- a full range of potential arrangements is investigated before entering into an exclusive contract
- legal assistance or advice is obtained if necessary for any non-standard clauses
- as best practice, contractor must provide proof of liability insurance and WSIB coverage where appropriate
- each contract is dated, witnessed, or embossed with the corporate seal as required
- a completed copy of the final contract is made available to all signatories
- the original copy of a signed contract is kept in a secure place within the Finance department

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At a minimum, each Purchase of Service contract entered into by CLH will provide the following information:

- a) nature of service
- b) anticipated outcomes
- c) reporting requirements
- d) financial obligation
- e) period of time covered by contract (no contract will be established in perpetuity)
- f) invoicing procedure and payment schedule
- g) termination and escape clause
- h) name(s) of CLH staff with authority to act on CLH's behalf in relation to the services provided and the service provider
- i) description of monitoring process
- j) confidentiality agreement
- k) warranty for completed services meeting the quality standards specified
- l) allowable expenses as per CLH's "Travel, Meals, and Hospitality" policy

All invoices must be reviewed and approved prior to payment by the staff authorized to sign. Authorization is to include:

- a) Date – date of request
- b) Completed by – name of person completing the form
- c) Payable to – the name and complete address of the payee
- d) Description – reason for payment cross referenced to supporting details or documents and attached to the requisition
- e) Coding section – the account code, or codes, and the corresponding amounts with taxes (PST & HST) identified separately
- f) Amount – total amount of the cheque to be issued
- g) Approved by – requires authorized signature on purchase order
- h) Special delivery instructions – if the cheque is not to be directed routed to the payee then the appropriate routing instructions need to be recorded in this space
- i) Date required – date cheque is required if different from regular cheque run

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### PROCUREMENT RECORD RETENTION

CLH will handle, store, and maintain vendor's confidential and sensitive information in an appropriate and legal manner.

CLH will conduct procurement activities according to the law in Ontario, including contract law, the law of competitive processes, privacy legislation, accessibility legislation and any other legislation as may be applicable.

CLH will also be subject to various trade agreements, including but not limited to the Agreement on Internal Trade (AIT), and the Ontario-Quebec Trade and Cooperation Agreement (Ontario-Quebec Agreement).

### REFERENCES AND RELATED DOCUMENTS

- Broader Public Sector Procurement Directive, April 1, 2024.
- 2.40 Travel, Meal and Hospitality Expenses

n/a

### ATTACHMENTS AND FORMS

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