 <p>The Children's Aid Society of Hamilton</p>	<p>SECTION: Purchasing</p> <p>SUBJECT: Competitive and Non Competitive Procurement</p>	<p>POLICY APPROVED BY: Board of Directors</p> <p>DATE: April 1, 2016</p> <p>SUPERCEDES: November 25, 2011</p>
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1. Policy Purpose

This policy sets out the thresholds for Non Competitive and Competitive procurement and describes situations where a procurement may be exempt from the competitive requirement.

2. Stewardship

This policy is developed and administered by the Finance & Property Committee of the Board.

3. Definitions

In this policy, word and expressions have the following meanings:

1. "Board" means the Board of Directors of the Children's Aid Society of Hamilton.
2. "Society" means the Children's Aid Society of Hamilton.
3. "Director F&A" means the Director Finance & Administration of the Children's Aid Society of Hamilton.
4. "E.D." means the Executive Director of the Children's Aid Society of Hamilton
5. "Procuring" is the process of purchasing, renting, leasing or otherwise acquiring any goods or services.
6. "Goods" includes supplies, equipment, materials structures, to be delivered, installed or constructed.
7. "Services" means all construction, maintenance and professional services, including lawyers, accountants, engineers, designers, software experts.
8. "Consulting Services" means expert, strategic advice and related services, provided under an agreement other than an employment agreement for the purposes of strategic decision making.
9. "Competitive Procurement" means a set of procedures for developing a procurement contract through a bidding or proposal process. The intent is to solicit fair, impartial, competitive bids.
10. "Invitational Competitive Procurement" means any form of requesting a minimum of (3) qualified suppliers to submit a written proposal in response to the defined requirements outlined by an individual/organization.
11. "Open Competitive Procurement" is the process advertising available supply opportunities to qualified Canadian suppliers through a readily accessible electronic tendering system.

4. Policy


1. Goods and Non Consulting Services

- Low dollar items, ie. less than \$10,000, may be acquired from the most convenient and reliable source.
- An Invitational Competitive procurement process must be conducted where the estimated value of procurement of Goods and Non-Consulting Services is \$10,000 or more.
- An Open Competitive procurement process must be conducted where the estimated value of procurement of Goods and Non-Consulting Services is \$100,000 or more.

2. Consulting Services

A Competitive process must be conducted for the procurement of Consulting Services irrespective of value.

- Where the value is estimated to be less than \$100,000 an invitational process may be used.

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- Where the value is estimated to be greater than \$100,000 an open competitive process is mandatory.

The overall value of procurement must not be reduced (eg. dividing a single procurement into multiple procurements) in order to circumvent competitive procurement thresholds.

5. Exemptions

The following categories are considered exempt from the requirement for invitational or open competitive procurement:

1. Placement and accommodation services for children in care
2. Services from licensed professionals, including medical doctors and dentists, pharmacists, nurses, psychologists, lawyers, accountants, architects
3. Emergency Procurement
4. Single distributor/source

Placement and accommodation services for children in care

- Children should be placed in the purchased residential setting that best matches their social, emotional, developmental, psychological and medical needs as documented by the case worker.
- Due consideration should be given to the cost of residential care in relation to the services provided as well as to geographic location.
- Only those resources licensed by the ministry and approved by the O.P.I. Assessment Worker may be used.


Services from Licensed Professionals

In the event services from licensed professionals, including medical doctors and dentists, pharmacists, nurses, psychologists, lawyers, accountants, architects for children in care are required the following information must be obtained/documentated and retained:

- the basis upon which the licensed medical professional was selected and how the fees were determined to be commensurate with the qualifications of the licensed professional
- an agreement which sets out the service and conditions under which the services are to be provided and paid, and the requirement that invoices are to contain sufficient detail to outline the service provided, to whom the service was delivered, who requested the service, and fees charged
- the services must be periodically evaluated in relation to results achieved

Emergency Procurement

An emergency is an occurrence of a serious and urgent nature that demands immediate action. Emergency procedures may be utilized to purchase that which is necessary to cover the emergency. It is appropriate to

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use emergency procedures when a purchase is required to protect personal safety, health or property.

For clarity, the potential loss of budgeted funds at the end of a fiscal year is not considered to be an emergency.

Subsequent requirements of the goods or services are to be obtained using normal purchasing practices.

As soon as practical after directing the supplier to proceed, documentation as to the nature of the emergency and the reason for supplier selection shall be prepared and forwarded to the purchasing clerk for filing.

Single Distributor/Source

Sole source purchases may be made when solicitation of multiple vendors is not feasible due to one of the following:

- the item or service is only available from one source
- competition is deemed inadequate ie. insufficient bidders
- necessary compatibility with existing products predetermines vendor
- existing licenses, copyright and patent rights predetermine vendor

6. Effect on Prior Policies

The effective date of this policy is referenced above. Any prior policies regarding purchasing and other matters dealt with in this policy are hereby superseded. This policy shall have no effect on purchases made or contracts executed prior to the date this Policy is approved.

7. Other Reference

For additional direction, staff are to refer to other affiliated policies including but not limited to:

- Governing Policy for Purchasing Goods and Services
- Governing and Managing Policies for Delegated Authorities for Obligations and Payments
- Managing Policy for Delegated Authorities for Procurement