

The Corporation of the County of Northumberland – Procurement By-law By-Law No. 2018-26

Section 1: Purpose and Principles

1.1 Purpose

This By-law is intended to:

- (a) Express the County's principles and objectives in relation to its procurement program;
- (b) Describe the roles, responsibilities and authorities of the County's employees, officers and elected officials in carrying out the County's procurement operations;
- (c) Authorize the Purchasing Manager to implement detailed procurement procedures and protocols that are consistent with the intent of this By-law and, to supplement and amend those procedures and protocols as and when deemed necessary, to meet the present and future needs of the County; and
- (d) Comply with the requirements of Section 271 of the *Municipal Act, S.O., 2001*, as amended from time to time.

1.2 Principles

Procurement is the process by which the County acquires goods, services and construction. Effective procurement is a critical support function for local governments as they responsibly manage public funds. The objective of this By-law is to ensure that the County conducts procurement processes that conform to the following principles:

- (a) Compliance with all applicable laws, regulations, by-laws, policies and trade treaties as further set out in Appendix 1 to this By-law;
- (b) Consistency with other County by-laws, policies and procedures;
- (c) Open, fair and transparent procurement that affords equal access to all qualified suppliers;
- (d) Reciprocal non-discrimination and geographic neutrality with respect to Ontario's trading partners and avoidance of preference for local suppliers;
- (e) Achieving best value for the County for the expenditure of public funds through consideration of the full range of procurement formats and the adoption of commercially reasonable business practices;
- (f) Effective balance between accountability and efficiency; and
- (g) Ensuring adherence to the highest standards of ethical conduct, including compliance with the County's *Conflict of Interest Policy*.

Section 2: Interpretation and Application

2.1 Defined Terms

The following definitions apply in this By-law:

- (a) **Bid** means a submission in response to a Solicitation Document;
- (b) **Bidder** means a supplier that submits a Bid;
- (c) **Chief Administrative Officer (CAO)** means the County's administrator or his or her designate;
- (d) **Competitive Process** means either an Open Competition or an Invitational Competition;
- (e) **Competitive Procurement Project** means a Procurement Project conducted through a Competitive Process;
- (f) **Competitive Procurement Procedures** means the County's procedures for conducting Competitive Procurement Projects, as developed, maintained and updated by the Purchasing Manager;
- (g) **Council** means the Council of the Corporation of the County of Northumberland;
- (h) **County** means the Corporation of the County of Northumberland;
- (i) **Department** means one of the County's business units, departments or divisions;
- (j) **Department Head** means the head of any County Department (or his or her designate) and includes a director or administrator;
- (k) **Direct Award** (a.k.a. 'single source' or 'sole source' awards) means a contract award outside of a Competitive Process;
- (l) **Emergency Purchase** means a situation where the purchase of goods, services or construction was necessary because of an immediate risk to the safety or health of County employees or the general public or because of the possibility of serious damage to County or private property;
- (m) **Invitational Competition** means a process initiated by way of an invitation to at least three suppliers to submit Bids;
- (n) **Limited Competition** means a Procurement Project whose value would otherwise require an Open Competition, but the circumstances permit the solicitation of bids from a limited number of suppliers;
- (o) **Low Cost Purchase** means the purchase of goods, services or construction with a procurement value of less than \$25,000;
- (p) **Low Cost Purchase Procedures** means the County's procedures for making Low Cost Purchases, as developed, maintained and updated by the Purchasing Manager;
- (a) **Master Framework Agreement** means a master agreement entered into between the County and the pre-qualified suppliers that have been included on a Qualified Supplier Roster;
- (q) **Open Competition** means a process initiated by way of a publicly posted Solicitation Document;
- (r) **Procurement Project** means any purchase of goods, services or construction by one of the County's Departments, including Competitive Procurement Projects and Direct Awards;
- (s) **Purchasing** means the County's purchasing and procurement department;
- (t) **Purchasing Manager** means the Manager of Purchasing and Risk Management Services or his or her designate;

- (u) **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 been pre-qualified to compete for discrete work assignments involving the delivery of a particular type of goods, services or construction that may be required during the term of the roster;
- (v) **Roster Competition** means an expedited form of competition between suppliers that have been included on a Qualified Supplier Roster;
- (w) **Solicitation Document** means the document used to solicit Bids from Bidders, including a Request for Tender (RFT)/Invitation to Tender (ITT); a Request for Proposals (RFP); a Request of Quotations (RFQ); and a Request for Supplier Qualification (RFSQ);
- (x) **Standing Offer** means a contractual commitment for a defined term, usually in the form of an annual purchase order, between the County and a selected supplier for the supply of particular goods or basic services, as requested through an ordering process, at a predetermined price or discount;
- (y) **Supply Arrangement** means an established arrangement with suppliers that have been pre-qualified to provide particular goods, services or construction to the County during a specified period of time. Such arrangements include Standing Offers and Master Framework Agreements;
- (z) **Treasurer/Director of Finance** means the head of the County's Finance Department, who has been delegated the authority to legally bind the corporation.

2.2 Application

This By-law applies to the purchase of all goods, services and construction with the exception of those items set out in Appendix 2.

2.3 Procurement Value

In order to ensure that Procurement Projects are conducted in accordance with this By-law, it is important to accurately estimate the value of the Procurement Project. The value of a Procurement Project should include all costs to the County, including acquisition, maintenance, replacement, disposal, and training, delivery, installation and extension options, but should exclude applicable sales taxes.

2.4 Contract Splitting

Subdividing, splitting or otherwise structuring procurement requirements or contracts in order to reduce the procurement value or in any way circumvent the requirements or intent of this By-law is not permissible.

2.5 Purchasing Procedures and Protocols

In addition to this By-law, Purchasing has a number of procedures, protocols, forms and templates for use during the procurement cycle to assist Departments in achieving compliance with this By-law. Departments should confer with Purchasing to ensure that they have all the necessary, up-to-date tools for each stage of a Procurement Project.

2.6 Cooperative Purchasing

The County may participate with other levels of government or public sector entities in cooperative purchasing ventures or joint contracts when it is in the best interests of the County to do so. The cooperative purchasing process may be conducted in accordance with the procurement policies and procedures of the entity that is responsible for co-ordinating and leading the process, provided that those policies and procedures are consistent with the County's obligations under applicable trade agreements and the principles set out in this By-law.

Section 3: Ethical Conduct and Conflicts of Interest

3.1 County's Conduct and Internal Conflicts of Interest

- 3.1.1 The County must ensure that the management of all Procurement Projects is free from actual or apparent internal conflicts of interest. All participants in the Procurement Project (including all procurement staff, all involved members of the Department, all members of the evaluation team) must ensure that there are no undeclared actual or apparent internal conflicts of interest. Elected officials within the County must not have any direct or indirect involvement in any Procurement Project or decision outside of the required approvals set out in this By-law.
- 3.1.2 Personal purchases (which are purchases by an employee or elected official of the County, which are not for the benefit of the County, but for the benefit and use of the requesting party) are prohibited. No employee or immediate family member (including spouse, children or any family member residing under the same roof) may submit a Bid in response to a Solicitation Document.
- 3.1.3 County employees should review the County's *Conflict of Interest Policy* (Policy 4.3.5) and should ensure that all purchasing decisions and Procurement Projects are managed in accordance with this By-law, the *Conflict of Interest Policy* and the highest standards of business ethics, as contained in the Code of Purchasing Ethics, published by the National Institute of Government Purchasing and the Purchasing Management Association of Canada.

3.2 Suppliers' Conduct and External Conflicts of Interest

- 3.2.1 Procurement Projects must also be free of external conflicts of interest. All suppliers must be required to declare, as part of their Bid in a procurement process, that there are no conflicts of interest or provide details of any actual or apparent conflicts of interest. Purchasing must ensure that all procurement templates include appropriate conflict of interest language and declarations.
- 3.2.2 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 must not be allowed to submit a Bid or directly or indirectly participate in the submission of any Bid in response to that Solicitation Document. While this restriction shall be deemed to apply to all County

Procurement Projects, it should be disclosed in the initial procurement process by which the supplier is retained.

3.2.3 The County expects its suppliers to act with integrity and the County may refuse to do business with any supplier that:

- (b) has an actual or potential conflict of interest;
- (c) has an unfair advantage in the procurement process; or
- (d) has engaged in illegal or unethical bidding practices.

3.2.4 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) attempting to gain favour or advantage by offering gifts or incentives to County officers and employees, members of Council or any other representative of the County;
- (c) lobbying members of Council or County officers and employees or engaging in any prohibited communications during a procurement process;
- (d) submitting inaccurate or misleading information in response to a procurement opportunity; and
- (e) engaging in any other activity that compromises the County's ability to run a fair procurement process.

Section 4: Roles and Responsibilities

4.1 Separation of Roles and the Role of Council

4.1.1 In accordance with best practices in municipal procurement, Council recognizes the need for a clear separation of political and administrative functions in relation to the County's procurement operations. It is the role of Council to establish policy and to approve expenditures through the County's budget approval process. Through this By-law, Council delegates to the County's officers and employees the authority to incur expenditures in accordance with approved budgets through the procurement of goods, services and construction in accordance with the rules and processes set out in this By-law.

4.1.2 To facilitate Council's oversight role in respect of significant projects, Council may require Departments to obtain Council's authority to initiate specific procurements by identifying procurement projects of interest, such as procurements that are of a high value or involve significant risk, security concerns or significant community interest.

4.1.3 To avoid the potential appearance of bias or political influence in procurement contract award decisions, members of Council will have no involvement in competitive procurement processes from the time those procurement process have been initiated through the advertisement or issuance of the solicitation document until a contract has been entered into with the successful

bidder, except where Council is required to approve the contract award in accordance with Section 6.3 of this By-law.

4.2 Roles and Responsibilities of County Officers and Employees

The roles and responsibilities of County officers and employees are as follows:

4.2.1 Department Head or designate:

- (a) Identifying the need or requirement to be satisfied through a Procurement Project;
- (b) Building a Procurement Project and obtaining appropriate approval prior to proceeding to market;
- (c) Developing or identifying an approved funding source;
- (d) Determining first if there are internal sources of supply or existing supply arrangement through consultation with Purchasing;
- (e) Researching and understanding external market conditions and potential sources of supply;
- (f) Authorizing purchases that are within their delegated authority as set out in this By-law;
- (g) Ensuring employees involved in Procurement Projects have appropriate training;
- (h) Ensuring Department compliance with all procurement policies guidelines, applicable laws; trade agreements and regulations; and
- (i) Supporting the promotion of compliance with this By-law and of sound procurement practices and supporting the provision of appropriate education and training to employees involved in Procurement Projects.

4.2.2 Purchasing Manager or designate:

- (a) Researching, developing, updating and communicating corporate purchasing policies, procedures, guidelines and standards;
- (b) Providing a quarterly report to Council that includes the itemization of all purchases between \$100,000 and \$500,000 with a description of each purchase inclusive of actual cost and budget;
- (c) Advising County staff on policies, regulations and legislation affecting procurement;
- (d) Providing appropriate orientation, training and tools to employees involved in public procurement activities;
- (e) Advising on Competitive Procurement Projects
- (f) Monitoring compliance across the organization and reporting on performance to the County Manager and Leadership team;
- (g) Continually analyzing the County's business requirements and identifying opportunities for cost savings or more strategic sourcing;
- (h) Serving as the interface between the County and the supplier community during the procurement process;
- (i) Advising Departments on market conditions and strategies in developing budgets, planning projects, framing business cases and buying decisions;

- (l) (k) Establishing supply arrangements to maximize value for the organization; Reviewing the County's procurement patterns to identify areas where efficiency could be realized through aggregate spending; and
- (m) Disposing of surplus and obsolete materials and equipment.

4.2.3 Chief Administrative Officer or designate:

- (a) Approving purchases per the delegation of authority; and
- (b) Providing oversight of the purchasing process.

4.2.4 Treasurer/Director of Finance or designate:

- (a) Providing oversight of the procurement process;
- (b) Authorize spending approval limits of up to \$10,000 for positions that are not expressly named in this By-law; and
- (c) Ensuring proper internal controls including segregation of duties.

4.2.5 Finance Department:

- (a) Processing of all payments to vendors; and
- (b) Monitoring established internal controls for the purchasing process.

4.2.6 Warden and County Council

- a) Means the elected council of the County. A councilor is a member of County Council.
- b) Approves large purchases as per delegation of authority.

Section 5: Procurement Methods

5.1 Standard Procurement

A standard procurement is the acquisition of goods, services or construction through the applicable process described in this Section. All standard procurement processes must be approved, conducted and reported in accordance with this By-law and all applicable procedures and protocols.

5.1.2 Low Cost Purchase

Departments may acquire goods, services or construction with a procurement value of less than \$25,000, in accordance with this Section and the County's Low Cost Purchase Procedure. The Department Head may authorize specific individuals within the Department to make Low Cost Purchases and may assign specific spending authority limits with the approval of the Director of Finance/Treasurer. The Department Head is responsible and accountable for Low Cost Purchases.

The County operates a P-Card (Purchasing Card) program that provides County employees with corporate credit cards that may be used to purchase goods and services on behalf of the County up to their designated transaction and monthly limits as approved by the Department Head and the Director of Finance. Any low cost purchase made using a P-card is subject to the P-card policies and *P-Card Employee Acknowledgement* signed by all employees who are given P-cards.

(a) Purchases Under \$5000

A competitive process is not required for purchases under \$5000. However, comparison pricing should be done where practical. Employees making low value purchases must do so within the principles set out in section 1.2 of this By-law. Documented quotations are not mandatory.

(b) Purchases Over \$5000 But Under \$25,000

For the purchase of goods, services or construction with a procurement value over \$5000 but under \$25,000, the Department must obtain at least three (3) documented quotations from qualified suppliers. Quotations may be solicited by telephone, fax or email.

(c) Purchases over \$25,000: Refer to section 5.1.4 - Competitive Process

5.1.3 Supply Arrangement

The County may enter into Supply Arrangements with one or more supplier(s) for the supply of particular goods, services or construction.

(a) Purchasing Under Existing Supply Arrangements

It is the responsibility of the Department to determine, through consultation with Purchasing, if there is an existing Supply Arrangement for the required goods or services before making a purchase.

If the required goods or services are available under an existing Standing Offer, typically in the form of an annual purchase order, the Department should purchase the goods or services through the established ordering process.

If a Qualified Supplier Roster has been established for the required goods or services, the goods or services purchases through a Roster Competition conducted in accordance with the process set out in the Master Framework Agreement.

(b) Establishment of Supply Arrangements

Purchasing may consider establishing a Supply Arrangement for goods or services that are required on a regular or repetitive basis by one or more Departments.

If a Department anticipates making multiple purchases of the same goods or services and the total value of those purchases may exceed \$25,000, the Department must contact Purchasing to

discuss the possibility of establishing a Standing Offer or a Qualified Supplier Roster with Master Framework Agreements.

Supply Arrangements are established through a Competitive Process managed by Purchasing and conducted in accordance with the County's Competitive Procurement Procedures.

5.1.4 Competitive Process

Goods, services or construction with a procurement value at or over \$25,000 must be purchased through a Competitive Process managed by Purchasing and conducted in accordance with the County's Competitive Procurement Procedures. Competitive Procurement Projects involve a multi-stage procurement cycle and the roles and responsibilities of those involved in the various stages of a Procurement Project are described in detail in the County's Competitive Procurement Procedures.

(a) Invitational Competition

For the purchase of goods, services or construction at or over \$25,000 but under \$50,000, Purchasing may conduct an Invitational Competition by issuing a Solicitation Document to at least three (3) qualified suppliers.

Where the Procurement Project is particularly complex or the market conditions warrant it, Purchasing may determine that an Open Competition should be conducted.

(b) Open Competition

For the purchase of goods, services or construction at or over \$50,000, Purchasing must conduct an Open Competition that involves the public posting of a Solicitation Document on the County's prescribed electronic tendering site and/or other forms of media deemed appropriate by Purchasing.

5.2 Non-Standard Procurement

A non-standard procurement is the acquisition of goods, services or construction through a process or method other than the process and method normally required for the type and value of the required goods, services or construction. Non-standard procurement processes include:

(a) Direct Awards

Goods, services or construction are acquired directly from a particular supplier without conducting a Competitive Process when an Invitational Competition or an Open Competition would normally be required.

(b) Limited Competitions

Bids are solicited from a limited number of suppliers when an Open Competition would normally be required.

The use of a non-standard procurement process is only permitted under the specific circumstances set out in Appendix 3 of this By-law. All non-standard procurement process must be approved in accordance with this By-law and any applicable procedures and protocols. In seeking approval for a non-standard procurement, the Department must provide full details to explain why the Procurement Project fits into one or more of the circumstances under Appendix 3.

A written report must be prepared for each contract awarded through a Non-Standard Procurement, including the value and kind of goods or services procured and a statement indicating the circumstances and conditions that justified the use of a Non-Standard Procurement. The report and any supporting documentation must be maintained for a minimum of three (3) years from the contract award date.

5.3 In-House Bids

The acceptance and award of in-house bids requires the prior approval of Council and only be permitted where private sector suppliers have also been given an opportunity to submit bids.

5.4 Unsolicited Proposals

All unsolicited proposals, including any offers for presentations or product/service trials submitted to the County with the expectation on the part of the submitter of obtaining consideration for an ensuing contract or purchase by the County, must be directed to the Purchasing Manager for review and approval for acceptance.

In the event that an actual goods/services product presentation or demonstration would be required in advance of a purchase decision, such presentation or demonstration should be included as part of the formal competitive bid process.

Any procurement resulting from the receipt of an unsolicited bid must comply with the provisions of this Procurement By-law.

In the absence of a competitive process, a contract may only be awarded in respect of an unsolicited proposal if a Non-Standard Procurement is permitted in accordance with this By-law and all applicable procedures and protocols.

Section 6: Procurement Approvals and Delegated Authorities

6.1 Delegated Procurement Authorities

Delegated authorities to initiate procurement and approve a contract award are based on the approval limits set out in Appendix 4 of this By-law.

The CAO, Warden, County Clerk and Treasurer/Director of Finance have the authority to bind the corporation as a statutory officer and are authorized to commit the County to a contract through the execution of a legal agreement. The Purchasing Manager is delegated the authority to issue a purchase order evidencing a contract.

6.2 Conditions of Delegated Authorities

The delegated procurement authorities are subject to the following conditions:

- (a) No contract award may be approved unless funded within the Council approved budget and the procurement process was conducted in accordance with this By-law and all applicable procedures and protocols.
- (b) No contract may be entered into, either through the issuance of a purchase order or the execution of a legal agreement, unless within the approved Council budget in an amount sufficient to cover the procurement value is available and the contract award has been approved in accordance with this By-law and all applicable procedures and protocols.

6.3 Council Approval

Council approval for the award of a contract is required if:

- (a) the procurement value exceeds the approval limits of delegated procurement authorities set out in Appendix 4 of this By-law; or
- (b) any of the conditions of delegated procurement authorities, as set out in section 6.2 of this By-law, have not been met; or
- (c) there is an irregularity or unresolved challenge in connection with the Procurement Project and, in the opinion of the CAO, in consultation with the Purchasing Manager, the award of the contract is likely to expose the County to significant legal, financial or reputational risk.

6.4 Emergency Purchases

6.4.1 Circumstances

Notwithstanding any other provisions of this By-law, goods, services or construction may be purchased on an emergency basis if time does not permit the use of a standard procurement process due to an unforeseeable situation or event that is a threat to any of the following:

- (a) Public health and/or safety;

- (b) The maintenance of essential County services or to prevent the disruption of essential County services;
- (c) The welfare of persons or of public property; or
- (d) The security of the County's interests.

6.4.2 Approval

Emergency Purchases must be approved as follows:

Emergency Purchase	Approval Level
During business hours	Chief Administrative Officer
Outside business hours	Department Head

6.4.3 Reporting

As soon as possible after the emergency situation has been addressed, the Department Head must prepare a business case setting out the circumstances giving rise to the Emergency Purchase, the total value of the Emergency Purchase and the supplier selected to provide the necessary goods, services or construction and must submit a report setting out the business case as follows:

Emergency Purchase	Report
Procurement value of \$10,000 up to \$50,000	Submit report to Chief Administrative Officer
Procurement value in excess of \$50,000	Submit report to Council

Section 7: Supplier Relations and Contract Management

7.1 Procurement Notification

Promptly following the award of a contract in a Competitive Process, Purchasing is responsible for sending out notification letters to unsuccessful Bidders informing them that they were not selected.

Within 72 days of the contract award, Purchasing is responsible for posting the notice of award on the County website. The notice must remain readily accessible for a reasonable period of time and must include the following information:

- (a) the name and address of the County;
- (b) the name and address of the successful supplier;
- (c) a description of the goods or services procured;
- (d) the value of the successful bid or the highest and lowest offers taken into account in the award of the contract;

- (e) the date of award;
- (f) the type of procurement method used; and
- (g) in the case of a Non-Standard Procurement, the conditions or circumstances that justified the use of a Non-Standard Procurement.

7.2 Debriefings

Unsuccessful Bidders may request a debriefing. If a debriefing is requested, it should be scheduled with and conducted by Purchasing in accordance with the protocols established by Purchasing. Bidders are entitled to an explanation of the reasons why its bid was not selected and the relative advantages of the successful Bidder's bid; however, care must be taken not to provide information that might prejudice fair competition between suppliers.

7.3 Bid Protest Procedure

Unsuccessful Bidders may also formally protest the outcome of a Procurement Project. In order to avail itself of the County's bid protest procedure, the Bidder must first request and receive a debriefing. If the Bidder still wishes to challenge the outcome of the Procurement Project, they must formally protest the outcome in writing. The Department must respond in a timely fashion to any bid protest and must respond with a schedule to address the Bidder's concerns. The appropriate Department representative and the Purchasing Manager must attend any bid protest meeting.

7.4 Contract Management

Once the contract has been signed, it is essential that it be properly managed. Departments are responsible for all aspects of contract management. The following principles must be followed with respect to the management of all County contracts:

7.4.1 Scope Management

The scope of each contract must be appropriately managed to ensure that all deliverables are properly received, payments are appropriately made, all timelines are met and any extension options are appropriately exercised.

7.4.2 Payments to Suppliers

Departments are responsible for ensuring that all payments are made in accordance with the contract and for reviewing and approving supplier invoices.

7.4.3 Scope Changes and Contract Amendments

Scope changes and contract amendments are to be managed prudently when unforeseen events arise when a project is underway:

- a) The supplier must submit a change order request including rationale, cost and timing implications;

- b) The change must be approved by the County prior to commencement of the work;
- c) The change must be funded within an approved budget;
- d) The amendment of the contract must be approved in accordance with the approval limits set out in Appendix 4 of this By-law; and
- e) If the amendment results in an increase of greater than 10% of the original contract value, the amendment must have the additional approval of the Purchasing Manager and the CAO.

7.4.4 Contract Disputes

All potential contract disputes with suppliers must be managed in accordance with the dispute resolution mechanisms outlined in the contract. Where a contract is silent on dispute resolution, Departments should ensure that potential disputes are proactively managed and appropriately escalated. Written copies of all communications and correspondence with suppliers concerning a contract dispute must be maintained by the Department.

7.4.5 Performance Tracking

Departments must also ensure that the performance of all suppliers is appropriately monitored and recorded. Departments must maintain written records of any performance issues, including correspondence or notifications to suppliers. Ensuring that performance problems are addressed quickly and effectively and that a written record is kept of all matters connected with performance tracking is essential to proper contract management. Further, Departments must conduct a performance evaluation as per the vendor performance procedure after the expiration or termination of every contract in accordance with the criteria and forms prescribed by Purchasing.

7.4.6 Termination

A contract can only be terminated prior to its expiry date with the involvement of Purchasing. Where necessary, Purchasing will retain external legal services to provide advice on any legal risks connected with terminating the agreement.

7.4.7 Supplier Barring

Problematic suppliers can be barred from future contracts with the County in accordance with the County's Supplier Barring Protocol, as maintained by Purchasing.

Section 8: Records, Confidentiality and Access to Information

8.1 Records Retention

Proper documentation should be maintained for all stages of the Procurement Project as should follow the County's Records Management Program Policy.

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 at least three (3) years from the contract award date.

Departments are responsible for ensuring that all documentation relating to the Procurement Project is properly filed in the Procurement Project file, regardless of the Procurement Project value. The following are the minimum requirements of what should be kept in each Procurement Project file:

- (a) Internal drafts of all Solicitation Documents, including internal correspondence concerning same;
- (b) Original copies of all final Solicitation Documents;
- (c) Copies of the Procurement Project plan, together with evidence of all necessary conditional approvals;
- (d) If using an Invitational Process, evidence of quotations obtained from suppliers (e.g., copies of emails, written submissions);
- (e) Records of any communications with Bidders or potential Bidders
- (f) Copies of all addenda;
- (g) Original copies of all Bids received from Bidders (including amendments to Bids);
- (h) All records of evaluation processes, including evaluator notes and final scores;
- (i) Copy of the final recommendation memo together with all required approvals; and
- (j) Copies of debriefing or bid protest procedure requests and outcomes.
- (k) Council Resolutions if required

8.2 Confidentiality

The County must ensure that Bidder and supplier information submitted in confidence as part of a Procurement Project is adequately protected. Purchasing and Departments must ensure that all Bids and contracts are kept in a secure location and only accessible by those individuals directly involved with the Procurement Project.

8.3 Access to Information

The County is subject to the *Municipal Freedom of Information and Protection of Privacy Act* and must ensure the proper maintenance, release and management of all procurement records. Purchasing and Departments should jointly coordinate any requests for access to procurement-related documents.

Section 9: General

9.1 Commitment to Accessibility

When procuring goods, services and facilities, the County will incorporate accessibility criteria and features. Where applicable, procurement documents will specify the desired accessibility criteria to be met and provide guidelines for the evaluation of proposals in respect to those criteria. Where impractical for the County to incorporate accessibility criteria and features when procuring or acquiring goods, services or facilities, the Purchasing Manager will provide a written explanation, upon request.

9.2 Procurement Training

Purchasing, in consultation with Departments, will provide orientation and training as required to County employees involved in procurement activities. Departments are to ensure that employees involved in procurement activities have the appropriate training and notify Purchasing when new employees are hired or there are changes in duties affecting current staff. Purchasing is also responsible for ensuring communication across the County's various departments with respect to public procurement obligations.

9.3 Monitoring, Reporting and Non-Compliance

County employees must adhere to the County's procurement policies. Department Managers and senior management are responsible for ensuring compliance. The Purchasing Manager is responsible for monitoring compliance across the organization, including conducting spot audits of Procurement Projects managed directly by Departments, and reporting on performance to the Treasurer/Director of Finance.

9.4 Review of Purchasing By-law, Policies and Procedures

The purchasing department shall review and undertake a comprehensive review of this By-law every (5) years and report to Council accordingly. The review of purchasing policies and procedures shall be conducted on an ongoing basis.

Appendix 1 - Applicable Laws, Trade Agreements and Regulations

1. Procurement activities at the County of Northumberland must be conducted in accordance with all laws, regulations and standards, including, but not limited to:
 - i. *Income Tax Act* and Regulations
 - ii. *Excise Tax Act* and Regulations
 - iii. *Occupational Health and Safety Act* and Regulations
 - iv. *Worker's Compensation Act* and Regulations
 - v. *Municipal Freedom of Information and Protection of Privacy Act* and Regulations
 - vi. *Municipal Act* and Regulations
 - vii. *Competition Act* and Regulations
 - viii. *Accessibility for Ontarians with Disabilities Act* and Regulations
 - ix. County of Northumberland by-laws and all Council and administrative policies, procedures and protocols

2. Procurement activities at the County of Northumberland must comply with all applicable trade agreements, including:
 - i. Canadian Free Trade Agreement (CFTA) – all Provinces & Territories;
 - ii. Ontario and Quebec Trade Cooperation Agreement – Ontario and Quebec;
 - iii. Canadian-European Union Comprehensive Economic Trade Agreement (CETA); and
 - iv. any future trade agreements that are applicable to the County.

Appendix 2 - Exceptions

1. This By-law does not apply to the acquisition of the following goods and services:

- (a) Goods or services the supply of which is controlled by a statutory monopoly
- (b) Work to be performed on property under the provisions of a lease, warranty or guarantee held in respect of the property or the original work
- (c) Goods purchased on a commodity market
- (d) Goods or services purchased from:
 - government entities or public bodies
 - philanthropic institutions
 - persons with disabilities
- (e) Goods and services related to training and education, including:
 - conferences, conventions, courses and seminars
 - newspapers, magazines, books and periodicals
 - memberships
 - computer software for educational purposes
- (f) Services that may only be provided by the following licensed professionals:
 - medical doctors
 - dentists
 - nurses
 - pharmacists
 - lawyers
 - notaries
- (g) The following specialized goods and services
 - health services and social services, including payment to social agencies for purchased services
 - financial, banking and underwriting services
 - expert witnesses
 - arbitrators
 - external auditors
 - utility relocates by a public utility
 - railway crossings
 - postage
 - original artwork
 - food for use by the county's food bank
 - goods intended for resale to the public

2. This By-law does not apply to payment of the County's general expenses, such as:

- Refundable employee expenses (advances, meal allowances, travel, miscellaneous)
- Payroll deduction remittances
- Workers Safety Insurance Board payments
- Health benefits
- Tax remittances
- Debenture payments
- Insurance premiums
- Damage claims
- Legal settlements
- Arbitration awards
- Petty cash replenishment
- Charges to and from Area Municipalities and other government bodies
- Council approved grants
- Refunds (such as property tax refunds, building permit refunds and refunds for cancelled services, programs or events)
- Committee Fees
- Licenses fees, including vehicles, etc.
- Utility's (such as water and sewer, hydro, natural gas, telecommunications and cable television)

Appendix 3 – Circumstances for Non-Standard Procurement

Goods, services and construction may only be acquired through a non-standard procurement process under the circumstances describe below.

1. For all Procurement Projects with a procurement value of \$100,000 or greater:

- (a) Where goods or consulting services regarding matters of a confidential or privileged nature are to be purchased and the disclosure of those matters through a Competitive Process could reasonably be expected to compromise confidentiality, cause economic disruption or otherwise be contrary to the public interest.
- (b) Where no Bids are received in response to a Competitive Process conducted in accordance with this By-law.
- (c) To ensure compatibility with existing goods and products, to recognize exclusive rights, such as exclusive licenses, copyright and patent rights or to maintain specialized products that must be maintained by the manufacturer or its representative.
- (d) Where there is an absence of competition for technical reasons and the goods or services can only be supplied by one particular supplier and no alternative or substitute exists.
- (e) The procurement is for additional deliveries by the original supplier of goods or services that were not included in the initial procurement if a change of supplier for such additional goods or services:
 - **cannot** be made for economic or technical reasons such as requirements of interchangeability or interoperability with existing equipment, software, services or installations procured under the initial procurement; **and**
 - would cause significant inconvenience or substantial duplication of costs for the County.
- (f) For the purchase of goods under exceptionally advantageous circumstances such as bankruptcy or receivership, but not for routine purchases.
- (g) For the procurement of a prototype of a first good or service to be developed in the course of and for a particular contract for research, experiment, study or original development, but not for any subsequent purchases.
- (h) For a contract to be awarded to the winner of a design contest, provided that the contest was organized in a fair and transparent manner and was advertised by publicly posted notice and participants were judged by an independent jury.

- (i) The procurement is otherwise exempt from Open Competition requirements under all applicable trade agreements and it is in the best interests of the County to proceed with a Non-Standard Procurement.

2. For Procurement Projects with a procurement value of less than \$100,000:

- (a) Under any of the circumstances described above.
- (b) For procurement of goods and services related to cultural or artistic fields.
- (c) For procurement from non-profit organizations.
- (d) For additional deliveries by the original supplier of goods or services that were not included in the initial procurement where a change of supplier for such additional goods or services would cause significant inconvenience or substantial duplication of costs for the procuring entity, provided that the total value of all recurring contracts for the same goods or services do not exceed \$100,000 in a twelve-month period.

Appendix 4 – Delegated Approval and Commitment Authorities

Department	Position	Approval Limit								
		Unlimited	\$500K	100K	50k	25k	\$10K	\$5K	\$1K	\$500
Corporate	Chief Administrative Officer		X			x	X	X	X	X
Corporate	Executive Assistant/Deputy Clerk						x	x	x	x
Communications	Director				x	x	x	x	x	x
Communications	Administrative support									x
Finance	Director/Treasurer ¹		X	x	X	X	X	X	X	X
Finance	Manager						X	X	X	X
Finance	Coordinator								x	x
Finance	Administrative Support									x
Clerk	County Clerk ¹						X	X	X	X
Clerk	Coordinator							X	X	X
Clerk	Administrative Support									x
Transportation, Waste & Facilities	Director			x	X	X	X	X	X	X
Transportation, Waste & Facilities	Administrative Support									X
Transportation	Manager					X	X	X	X	X
Transportation	Supervisor						X	X	X	X
Transportation	Engineer						X	X	X	X
Transportation	Lead Hand								X	X
Transportation	Coordinator								x	x
Waste	Manager					x	X	X	X	X
Waste	Supervisor						x	X	X	X
Facilities	Manager					X	X	X	X	X
Facilities	Maintenance Staff							X	X	X
Social Services & Housing	Director ³			x	X	X	X	X	X	X
Social Services & Housing	Manager ³					X	X	X	X	X
Social Services & Housing	Caseworker ³									X
Social Services & Housing	Administrative Support									X
Paramedics	Director/Chief				X	X	X	X	X	X
Paramedics	Deputy Chief						X	X	X	X
Paramedics	Superintendent							X	X	X
Paramedics	Administrative Support									X

Golden Plough Lodge	Director/Administrator				x	X	X	X	X	X	X	X
Golden Plough Lodge	Director of Care							X	X	X	X	X
Golden Plough Lodge	Manager/Associate Director of Care(ADOC)							x	X	X	X	X
Golden Plough Lodge	Maintenance Supervisor									x	X	X
Golden Plough Lodge	Administrative Coordinator									x	x	x
Economic Development & Tourism	Director					X	X	X	X	X	X	X
Economic Development & Tourism	Manager							X	X	X	X	X
Economic Development & Tourism	Coordinator								X	X	X	X
Economic Development & Tourism	Administrative Support											x
Corporate Services	Director					X	X	X	X	X	X	X
Corporate Services	Manager ²							X	X	X	X	X
Corporate Services	Coordinator								X	X	X	X
Corporate Services	Administrative Support											X
Information Technology	Director					X	X	X	X	X	X	X
Information Technology	Manager ²							X	X	X	X	X
Information Technology	Analyst								X	X	X	X
Information Technology	Administrative Support											X

Notes:

1. The County Clerk, Warden, CAO, and Director of Finance/Treasurer have authority to bind the corporation as a statutory officer.
2. Payroll Manager has unlimited authority to release bi-weekly employee payrolls and legislated payments.
3. Social Services employees may exercise additional authority under related legislation for payments to Social Services program clients only.

Guidelines to Delegation of Authority Matrix

1. The authority is granted based on the need of each position.
2. Approvals limits are on a per transaction basis.
3. Limits are the maximum value of a transaction.
4. The authority to initiate a procurement process is based on the estimated procurement value. The authority to approve a contract award is based on the actual procurement value that includes all fees and taxes.
5. Authority can only be exercised within the scope of the position. i.e. the incumbent cannot approve transaction in another department.
6. Transactions can only be approved within the Council approved budget.