



Procurement Policy

Policy Owner: Finance

Type: Board Policy

First Approved: October 2012

Approved By: Board of Directors

Last Reviewed:

Policy Summary

This policy guides employees with respect to procurement of goods, services and construction.

Policy Statement

This Procurement Policy will promote ethical, legal, efficient, effective, professional, and accountable sourcing strategies. Toronto Community Housing will use fair, open, and transparent processes to make procurement decisions based on a “value for money” criterion.

“*Value for Money*” means that the selection of goods, services and construction will be based on an optimal combination of relevant factors beyond the price by leveraging the aggregate spend to achieve economies of scale, where possible. This includes such factors as:

- total cost of acquisition
- quality and fit-for-purpose issues
- product or service lead time and delivery schedule
- vendor performance

- product or service support;
- environmental and sustainability issues
- support and maintenance considerations
- end-of-life disposal
- and other corporate objectives

Scope

This policy applies to all planning, acquisition and management of goods, services and construction by all officers, directors, employees, agents and designated representatives of Toronto Community Housing and its wholly owned subsidiary corporations.

The Board of Directors may approve separate protocols for procurement of major projects, as long as the protocol is similar in intent and in effect to those of Toronto Community Housing.

This policy must be read in conjunction with the Procurement Procedures, Procurement Protocols, and Financial Signing Authorities.

Exceptions

This policy does not apply to purchases of the following goods and services:

- a) Sale or purchase of real property
- b) Goods or services intended for resale to the public
- c) Goods or services from other public sector bodies or non-profit organizations
- d) Health care services, including services provided by medical doctors, dentists, nurses and pharmacists
- e) Utilities, including hydro and electricity
- f) Anything covered by the Employee Expense Policy or the Tenant Expense Policy

Guiding Principles

Effective procurement is a critical support function for public institutions as they responsibly manage public funds. The objective of this policy is to ensure that Toronto Community Housing conducts procurement processes that conform to the following principles:

- a) Compliance with all applicable laws, regulations, by-laws, policies and trade treaties

- b) Consistency with other Toronto Community Housing policies and procedures
- c) Open, fair and transparent procurement that affords equal access to all qualified vendors
- d) Reciprocal non-discrimination and geographic neutrality with respect to Ontario's trading partners and avoidance of preferences for local vendors
- e) Achieving best value for Toronto Community Housing for the expenditure of public funds through consideration of the full range of procurement formats and the adoption of commercially reasonable business practices
- f) Achieving maximum benefit for the residents of Toronto Community Housing
- g) Effective balance between accountability and transparency and efficiency
- h) Adherence to the highest standards of ethical conduct

Policy Details

Notification of Procurement Opportunities

Notification of public procurement opportunities shall be listed on Toronto Community Housing's

website and appropriate tendering websites and other media.

Award Information

Final award notifications for all public competitions must be posted online.

Unsolicited Bids

Toronto Community Housing will not accept or consider unsolicited bids with a procurement value of \$100,000 or greater. Unsolicited bids with a procurement value of less than \$100,000 may be considered on a case-by-case basis with approval of the CEO, but Toronto Community Housing is under no obligation to consider or accept any unsolicited bid.

Conflicts of Interest

Toronto Community Housing must ensure that it effectively manages internal and external conflicts of interest. All conflicts must be declared in writing to the Procurement Unit.

Internal Conflict of Interest

Toronto Community Housing must ensure that the management of all procurement projects is free from internal conflicts of interest.

All participants in the Procurement Project (including all procurement staff, all involved members of the Business Unit and all members of the

evaluation team) must ensure that there are no undeclared internal conflicts of interest.

The Toronto Community Housing Board of Directors and staff must not have any direct or indirect involvement in any Procurement Project or decision outside of the required approvals and procurement roles set out in these procedures.

External Conflict of Interest

In addition to ensuring that there are not internal conflicts of interest, Procurement Projects must also be free of external conflicts of interest. All vendors must be required to declare, as part of their Bid in a procurement process, that there are no conflicts of interest, or they must provide details of any actual or apparent conflicts of interest. The Procurement Unit must ensure that all procurement templates include appropriate conflict of interest language and declarations.

Where a vendor is retained to participate in the development of a Solicitation Document or the specifications for inclusion in a Solicitation Document, that vendor 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 Toronto

Community Housing Procurement Projects, it must be disclosed in the initial procurement process by which the vendor is retained.

Procurement Record Keeping

Proper documentation must be maintained for all stages of the Procurement Project.

Access to Information

The maintenance, release and management of all procurement records must be in accordance with Toronto Community Housing's Records Retention Policy. Toronto Community Housing is subject to the *Municipal Freedom of Information and Access to Information Act*. The Procurement Unit and Business Units must cooperate with Toronto Community Housing's MFIPPA Head in connection with any requests for access to procurement-related documents.

Confidentiality

Toronto Community Housing must ensure that Bidder and vendor

information submitted in confidence as part of a Procurement Project is adequately protected. The Procurement Unit and Business Units 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.

Procurement Review and Audits

Toronto Community Housing shall conduct regular reviews and audits of its procurement activities, procedures and practices to ascertain compliance with this Policy.

Policy Review

The Procurement Policy will be reviewed by the Strategic Procurement Unit and assessed once every two years to ensure its goals are being met.

The Procurement Procedures will be reviewed and assessed once a year to ensure the integrity of each process and that they are promoting the Procurement Policy objectives.