

Fleming College

Decentralized Procurement Procedures

Marilyn Brown
Partner, LXM Law LLP

PURPOSE OF NEW PROCEDURES

- The College has recently updated its Procurement Operating Procedure to allow departments to procure their own goods and services with a procurement value under \$25,000.
- The purpose of the new Decentralized Procurement Procedures is to guide departments through the steps that need to be followed to procure goods and services under the \$25,000 threshold.



- Departments must also comply with all applicable requirements under the College's Procurement Policy and Procurement Operating Procedure.
- Departments should note that the P-Card limit of under \$5,000 has not changed.

PUBLIC PROCUREMENT FUNDAMENTALS

Open

- Non-Discrimination
- Maximize supplier participation

Fair

- Treat suppliers fairly
- Provide same information at same time
- Avoid conflicts of interest
- Ensure no bias or unfair advantage

Transparent

- Disclose all relevant information
- Disclose objective evaluation process
- Base supplier selection only on disclosed evaluation criteria



PUBLIC PROCUREMENT RISKS



PROJECTS

Ottawa council's sole source decision

 admin January 28, 2014

T n its 2011 judgment in *Friends of Lansdowne Inc. v. Ottawa (City)*, upheld on appearance in 2012, the Ontario Superior Court of Justice rejected an



TOWN OF COLLINGWOOD JUDICIAL INQUIRY
ASSOCIATE CHIEF JUSTICE FRANK N. MARROCCO



LEVY: TCHC consulting contract 28% higher than estimate

Sam Allen Levy
Nov 28, 2018 • November 28, 2018 • 4 minute read • [Join the conversation](#)



Toronto Community Housing headquarters on Yonge St. in Toronto, Ont., on Sunday March 5, 2017. PHOTO BY GREGORY QUINCY/TORONTO STAR/POSTMEDIA NETWORK

A \$1.3-million "change management" consultant selected by Toronto Community Housing Corporation (TCHC) through a public RFP submitted a bid that was 28% higher than the housing authority's own estimates, says a confidential report obtained by the Toronto Sun.



STAR INVESTIGATION

Ontario government will investigate controversial contracts Metrolinx gave to a consulting firm whose director was a VP at the transit agency

Meanwhile, the NDP says the public deserves answers about the "bizarre and disturbing arrangement" between Metrolinx and consultant Brian Guest.

By Ben Spurr, Transportation Reporter
Tue, Jan. 25, 2022 • 4 min. read



CANADA

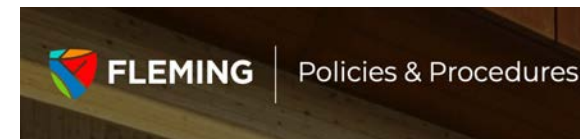
Canada's efforts to buy pandemic PPE to be assessed by auditor general

By Mia Rabson • The Canadian Press
Posted May 26, 2021 7:30 am

COLLEGE'S PROCUREMENT OBLIGATIONS

The College's procurement activities are governed by a number of rules, standards and obligations that arise from:

- Legal standards determined by case law
- Broader Public Sector (BPS) Procurement Directive issued by the Provincial Government
- Inter-provincial and international trade agreements that contain rules governing public sector procurement
- Fleming College Board of Governor's Procurement Policy and Procurement Operating Procedure



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RESPONSIBILITY AND ACCOUNTABILITY

- Budget Managers are responsible and accountable for all procurements with a procurement value under \$25,000 within their department, and for ensuring compliance with the Procurement Policy, the Procurement Operating Procedure, and the new Decentralized Procurement Procedures.
- While Budget Managers may rely on staff to perform certain functions associated with procurement, they remain accountable for the proper performance of those functions.

PROCUREMENT STEPS

PROCUREMENT OF GOODS AND SERVICES UNDER \$25,000

STEP 1: IDENTIFY YOUR REQUIREMENTS

STEP 2: DETERMINE HOW MANY QUOTES ARE REQUIRED

STEP 3: IDENTIFY POTENTIAL SUPPLIERS

STEP 4: OBTAIN THE QUOTES AND COMPLETE THE PROCUREMENT

STEP 5: MANAGE SUPPLIER'S PERFORMANCE OF DELIVERABLES

STEP 1 – IDENTIFY YOUR REQUIREMENTS

What goods and/or services do you need?

Are you procuring Consulting Services?

- Consulting Services means the provision of expertise or strategic advice that is presented for consideration and decision making.
- It is important to correctly identify whether the services you need are “Consulting Services” because the Ontario Government requires the College to obtain a minimum of 3 quotes for all consulting services under \$25,000.

Are you procuring a category of goods or services that require approval from an Internal Consultation Department?

Internal Consultation Departments

Category	Internal Consultation Department
Legal Services	President's Office
Advertising and Promotional Materials	Marketing and Communications
Accessibility for Ontarians with Disabilities Act	AODA Resources
Multimedia A/V equipment (classroom & non-classroom use)	Information Technology
IT Hardware infrastructure (desktop, laptop, tablet, printers, scanners, servers, network gear, telecommunications etc.)	Information Technology
Computer Software (including online, cloud, hosted services, and mobile apps)	Information Technology
Building Infrastructure (Furniture, Fixtures, Equipment, Signage, Utilities, Service Contractors, Architectural, Engineering, or other Design Services)	Physical Resources
Chemicals and Hazardous Materials	Physical Resources

STEP 2 – DETERMINE HOW MANY QUOTES ARE REQUIRED

What is the total Procurement Value?

- The total Procurement Value is the estimated total financial commitment resulting from the procurement, taking into account all associated costs and optional renewal extensions of the commitment, and excluding applicable sales taxes.
- Don't forget to include all costs associated with acquiring the goods and services, such as delivery, installation, training, warranties, maintenance or other ongoing or related services to be provided by the supplier. You must include the maximum total costs that the College will be responsible for under the resulting contract.

STEP 2 – DETERMINE HOW MANY QUOTES ARE REQUIRED

- Contract Splitting: You are not permitted to divide up the goods and services that you require in order to lower the total Procurement Value. For example, if you require 3 pieces of the same type of equipment with a value of \$10,000 per piece, the total Procurement Value is \$30,000. You are not permitted to split the procurement by purchasing 2 of the pieces of equipment through one process and the 3rd piece through a separate process.
- Recurring Requirements: If you have recurring requirements for the same type of goods and/or services, the total Procurement Value must be based on the total estimated value of those goods and/or services that will be required over the next 12 months.

STEP 2 – DETERMINE HOW MANY QUOTES ARE REQUIRED

Consulting Services		Goods and/or Non-Consulting Services	
Procurement Value	Minimum # of Quotes	Procurement Value	Minimum # of Quotes
\$0 - \$24,999	3 written quotes	\$0 - \$4,999	1 verbal or written quote
		\$5,000 - \$9,999	1 written quote
		\$10,000 - \$24,999	2 written quotes

STEP 3 – IDENTIFY POTENTIAL SUPPLIERS

Is there an active Collaborative Agreement?

- If the College has an active Collaborative Agreement for the required goods or services, the Operating Procedure requires the Department to obtain the goods and/or services through the Collaborative Agreement.

If no Collaborative Agreement

- Select reputable qualified suppliers offering quality goods and services
- Choose local suppliers, if available
- If no qualified local suppliers, consider Canadian suppliers
- Consider environmental impacts

STEP 3 – IDENTIFY POTENTIAL SUPPLIERS

Ensure there is no improper bias or conflict of interest

- Departments are responsible for ensuring the selection of suppliers is not influenced, or will not appear to be influenced, by improper motives such as providing business opportunities to friends and family.
- An example of potentially biasing relationships may include a past, present or future affiliation or relationship with a supplier or person that works for a supplier.
- A conflict of interest exists if there is a potential, actual or apparent conflict. This includes any situation which might cause another person to question your ability to be impartial when identifying potential suppliers and considering quotes.
- If there is a potential, actual or apparent conflict of interest, you must follow the College's Conflict of Interest Policy #3-344 and Conflict of Interest Operating Procedure #3-344.

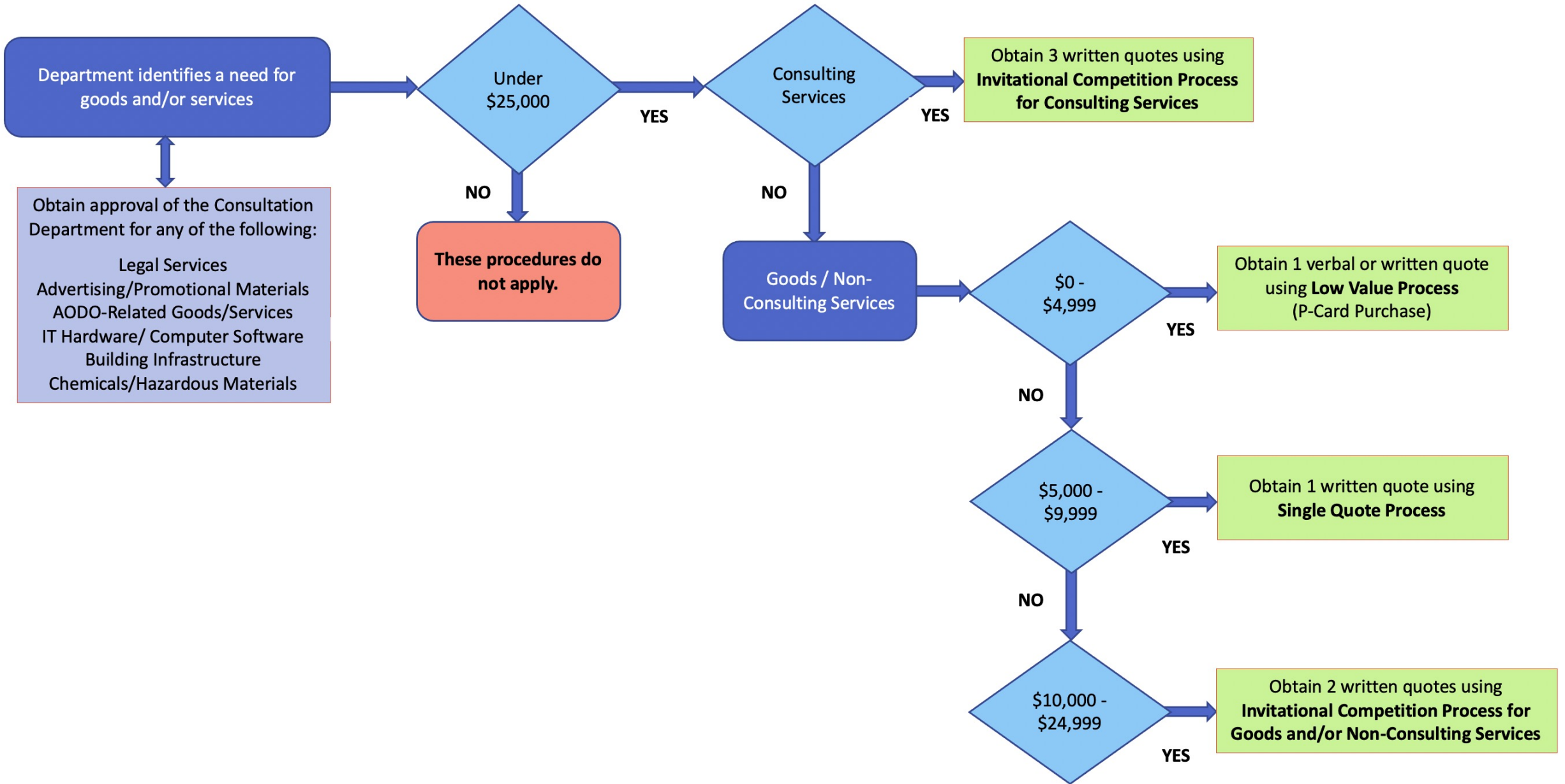
STEP 4 – OBTAIN QUOTES AND COMPLETE THE PROCUREMENT

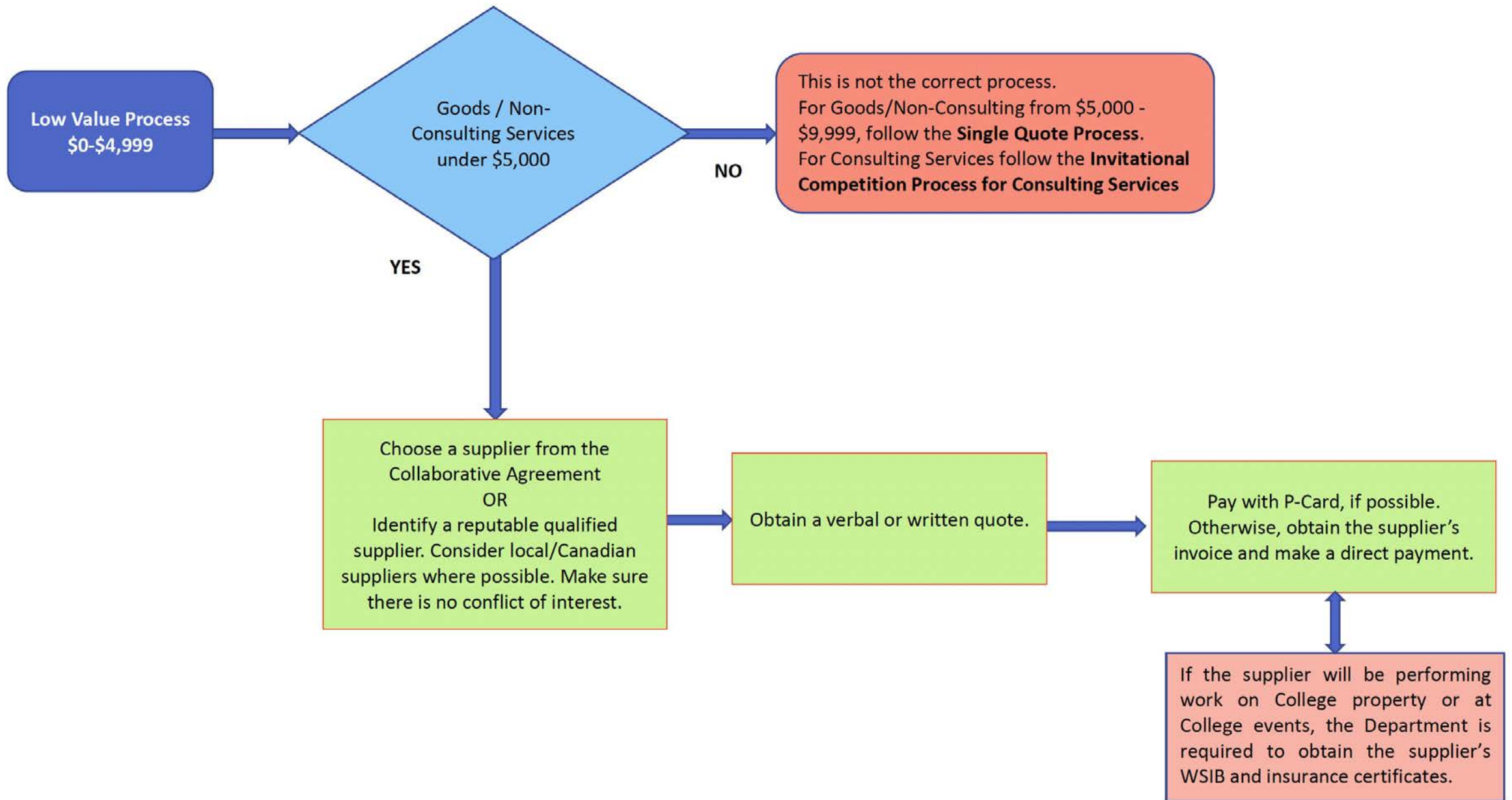
Consulting Services

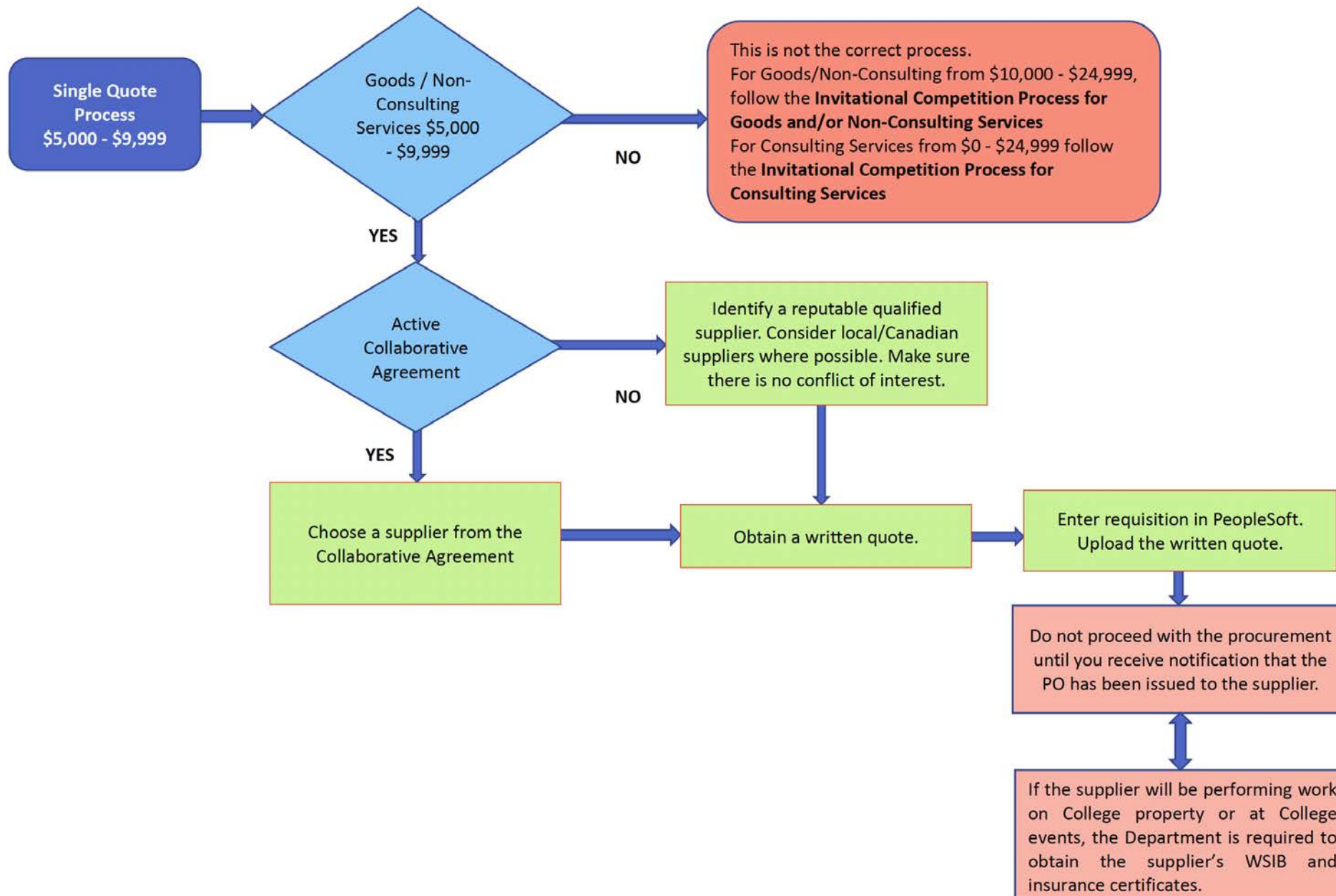
Procurement Value	Minimum # of Quotes	Type of Process
\$0 - \$24,999	3 written quotes	<u>Invitational Competition Process</u>

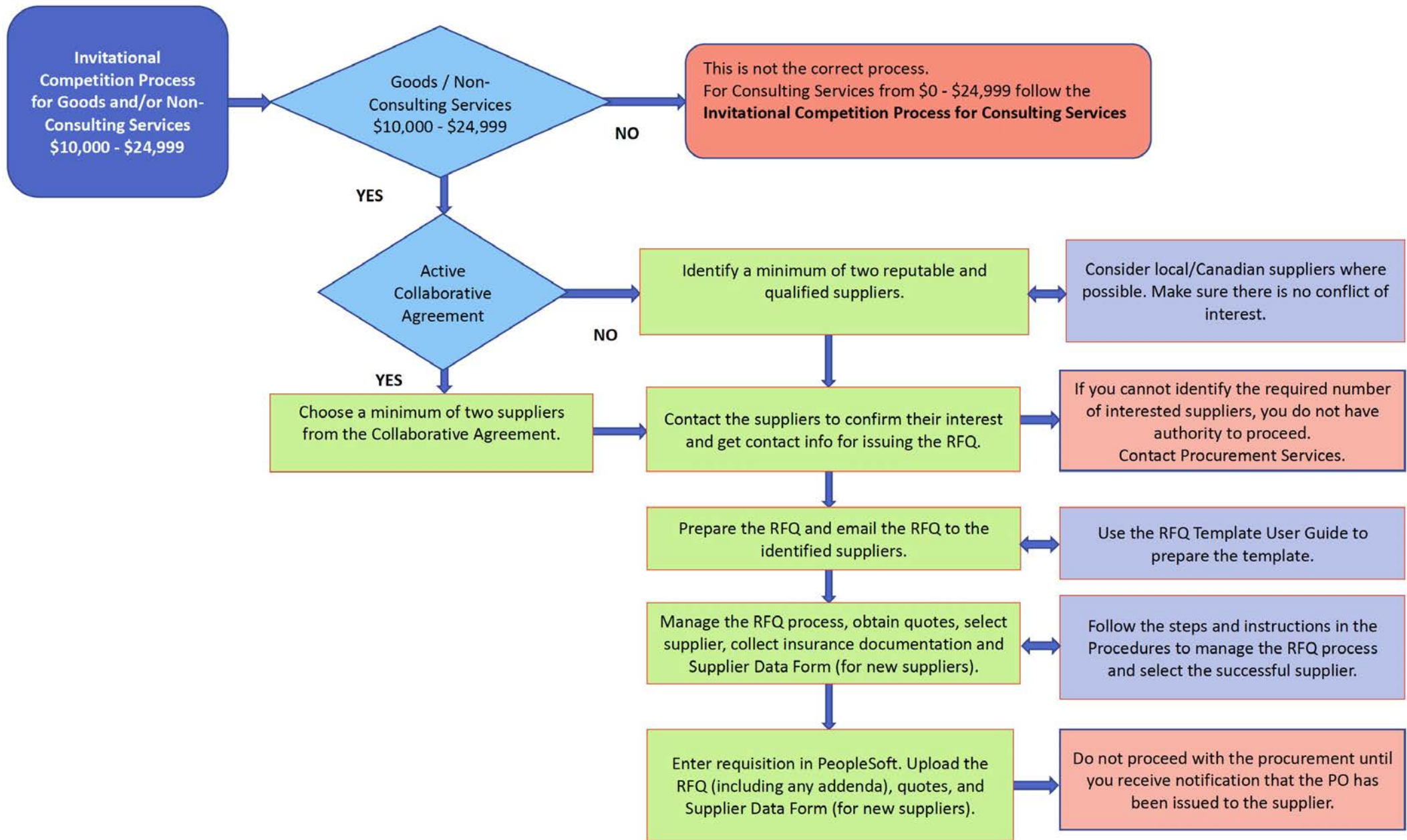
Goods and/or Non-Consulting Services

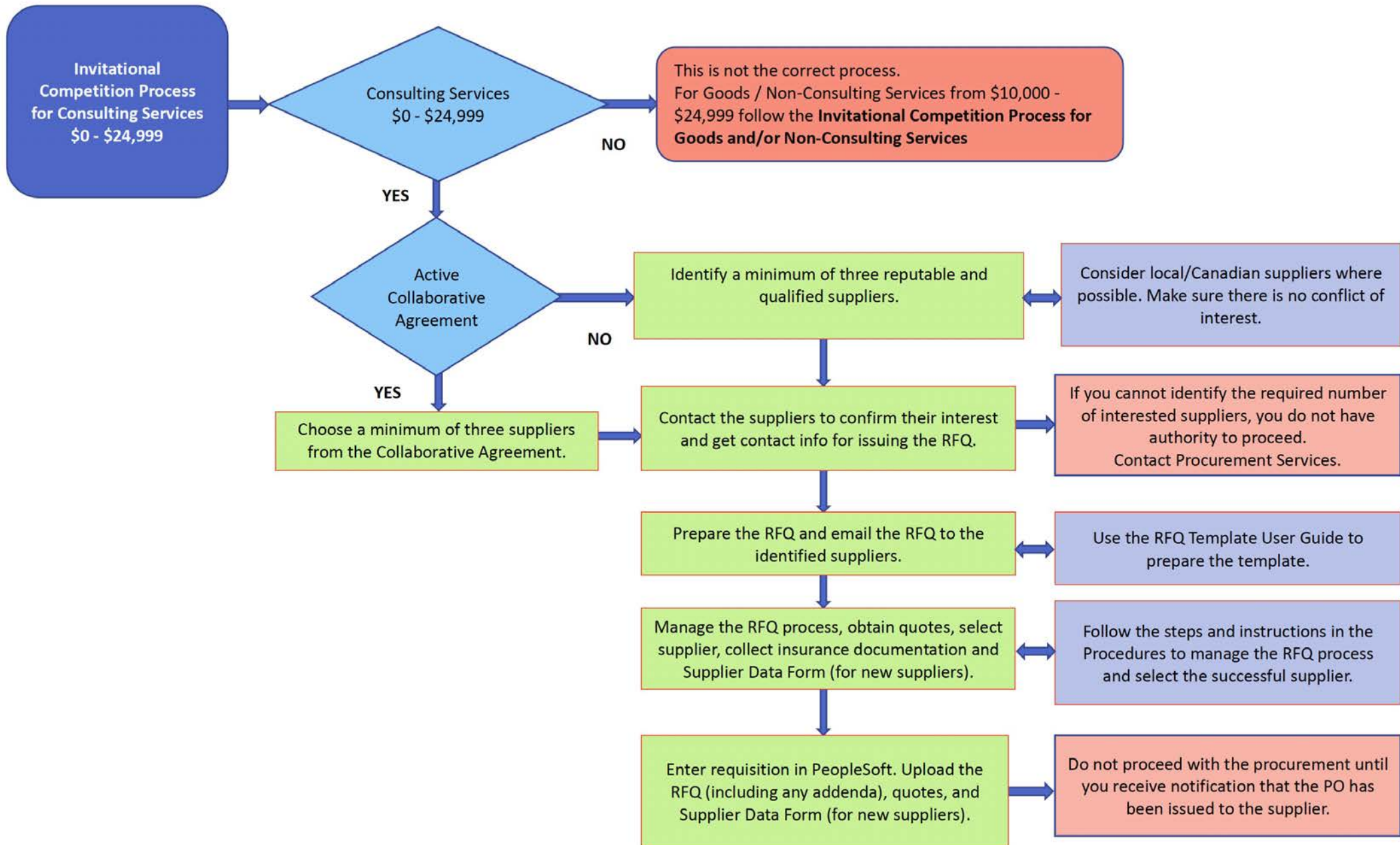
Procurement Value	Minimum # of Quotes	Process Required
\$0 - \$4,999	1 verbal or written quote	<u>Low Value Process</u> (P-Card Purchase)
\$5,000 - \$9,999	1 written quote	<u>Single Quote Process</u>
\$10,000 - \$24,999	2 written quotes	<u>Invitational Competition Process</u>











Invitational Competition Process

1. Prepare RFQ Document
2. Email RFQ to Suppliers
3. Monitor Email for Supplier Questions
 - Responding to Supplier Questions
 - Amending the RFQ
 - Sending Addenda
 - Managing Site Visits
4. Open the Quotes

Invitational Competition Process

5. **Select the Successful Supplier**
 - Cancelling the RFQ Process
6. **Notify the Successful Supplier**
7. **Collect the Requested Documentation**
8. **Complete the Requisition and PO Process**
9. **Notify Unsuccessful Suppliers**
 - Maintaining Confidentiality
10. **Retain Procurement Records**

STEP 5 – MANAGE SUPPLIER’S PERFORMANCE

The Department is responsible for managing the supplier’s performance of the deliverables associated with the procurement.

- **Monitoring Compliance.** It is the Department’s responsibility to ensure the supplier is compliant with all insurance and WSIB requirements, as well as any specified certification or licensing requirements. The Department must ensure proper oversight of the supplier and proper inspection of goods and services, and promptly report and address any performance deficiencies to the supplier in writing. All written records of supplier performance should be retained.
- **Extending or Increasing the Value of an Existing PO.** A Purchase Order may only be extended if it includes a stated option to extend or renew the term. Extending a PO beyond the maximum duration of the original term and/or purchasing additional goods and services that were not included in the original PO is considered a Non-Competitive Procurement.

Preparing the RFQ

STEP 1: DRAFT THE SCOPE OF WORK

- Clearly describe all deliverables and requirements.

STEP 2: DEVELOP THE PRICING TABLE

- Complete the Pricing Table in the Quotation Form or replace with alternate version
- Do not make changes to any standard wording in the Quotation Form

STEP 3: COMPLETE THE COVER PAGE

- Complete all information required in the highlighted sections
- Do not make changes to any language that is not highlighted

STEP 4: CONDUCT FINAL REVIEW

- Review the completed document to ensure everything is complete and clear
- Remove any remaining highlighting and drafting instructions

STEP 1: DRAFT THE SCOPE OF WORK

The SOW describes the goods and/or services to be provided by the successful supplier.

- What? What goods and/or services do you require?
- When? When are the goods/services to be delivered/provided?
- Where? Where are the goods/services to be delivered/provided?
- Who? Who is required to deliver the services?
- How? How are the services to be provided?

STEP 1: DRAFT THE SCOPE OF WORK

- **Ontarians with Disabilities Act (AODA)**. Departments must take into consideration the Accessibility for Ontarians with Disabilities Act and should refer to the AODA Information on the College's the Purchasing Website or contact the College's Accessibility Facilitator.
- **Sustainability**. Departments are expected to consider the environmental impacts of the procurement and follow the College's Sustainable Procurement Guidelines.

STEP 2: DEVELOP THE PRICING TABLE

- The Pricing Table becomes the contract pricing that will be included in or attached to the Purchase Order. The Pricing Table must relate to all the goods/services requested in the SOW.
- The Pricing Table should be designed to result in a single Total Quotation Price to allow for an apples-to-apples comparison of each supplier's price. The Total Quotation Price determines the ranking of suppliers.

STEP 2: DEVELOP THE PRICING TABLE

Start by listing all the goods/services specified in the SOW and determine how you want them to be priced. Some examples:

Good/Service	How Priced?
Goods	Priced per unit
Services	Lump sum per deliverable/milestone
Equipment/Vehicles	One-time all-inclusive purchase price
Equipment Maintenance and Support	Annual fee
Construction	Lump sum, perhaps broken down by area or element of work
Software	A: Annual or monthly subscription fee over fixed contract term, including all optional renewals/extensions B: One-time perpetual license fee

STEP 3: COMPLETE THE COVER PAGE

- **Complete Highlighted Areas.** Complete the information in the highlighted areas of the Cover Page. Do not make changes to any language that is not highlighted.
- **College Contact.** Departments must provide a single point of contact who will manage the process and monitor their email for correspondence from suppliers. All communications with suppliers must be received at and sent from the email address provided.
- **Purpose of Site Visit.** The purpose of the site visit is to give the suppliers an opportunity to view the work site and familiarize themselves with existing conditions. Site visits are not necessary in the majority of procurements and should only be held where requirements cannot be described in the drawings and specifications, and it is necessary for suppliers to view the site to understand the scope of work and prepare their quotations. If a site visit will be held, you must specify the exact time and location.

STEP 3: COMPLETE THE COVER PAGE

Timelines – Without Site Visit:

Event	Timeline
Issue Date	Date RFQ is sent to suppliers
Site Visit	N/A
Supplier Questions Deadline	3 - 5 business days from Issue Date
Quotation Submission Deadline	4 - 5 business days from Supplier Questions Deadline

Timelines – With Site Visit:

Event	Timeline
Issue Date	Date RFQ is sent to suppliers
Site Visit	3 - 5 business days from Issue Date
Supplier Questions Deadline	2 - 3 business days from Site Visit
Quotation Submission Deadline	4 - 5 business days from Supplier Questions Deadline

STEP 4: CONDUCT FINAL REVIEW

Remove all annotations and highlighting

Perform a quality review

- Review the document for completeness and typographical errors.
- Review the document from the perspective of a supplier – is it clear?
- Ask a colleague to review the document for feedback, if possible.

Double-check key information dates

QUESTIONS?

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Partner, LXM Law LLP

