

**PURPOSE**

These procedures are issued under the College’s [Procurement Policy #4-411 and Procurement Operating Procedure #4-411](#).

The purpose of these procedures is to guide Departments through the steps that must be taken to procure goods and services with a procurement value under \$121,200. If the procurement value is \$121,200 or greater, these procedures are not applicable and the procurement should be managed by Procurement Services.

Departments must also comply with all applicable requirements under the Policy and Operating Procedure.

**RESPONSIBILITY AND ACCOUNTABILITY**

Budget Managers are responsible and accountable for all procurements with a procurement value under \$121,200 within their department, and for ensuring compliance with the Procurement Policy, the Procurement Operating Procedure, and these 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**

These procedures are divided into 5 steps that must be followed for all procurements under \$121,200.

<b>STEP 1: IDENTIFY YOUR REQUIREMENTS</b>
<b>STEP 2: DETERMINE HOW MANY QUOTES ARE REQUIRED</b>
<b>STEP 3: IDENTIFY POTENTIAL SUPPLIERS</b>
<b>STEP 4: OBTAIN THE QUOTES AND COMPLETE THE PROCUREMENT</b>
<b>STEP 5: MANAGE SUPPLIER’S PERFORMANCE OF DELIVERABLES</b>

**STEP 1: IDENTIFY YOUR REQUIREMENTS**

**Are you procuring Consulting Services, or Goods and/or Non-Consulting Services?**

Consulting Services means the provision of expertise or strategic advice that is presented for consideration and decision making. Examples include:

- management consulting
- information technology consulting
- technical consulting
- research and development
- policy consulting; and
- communication consulting

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 between \$0 and \$121,199. If you are not sure if the services you need fall within the definition of consulting services, you should consult with Procurement Services.

**Do you need approval from an Internal Consultation Department for your procurement of Consulting Services, or Goods and/or Non-Consulting Services?**

In order to ensure conformity to established practices and standards and/or compatibility with existing equipment, systems and infrastructure, the following categories of goods and services may only be purchased with the approval of the Internal Consultation Department specified below:

<b>Category</b>	<b>Internal Consultation Department</b>
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 and 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 including Furniture, Fixtures, and Equipment, Signage, Utilities; Service Contractors, Architectural, Engineering, or other Design Services	Physical Resources
Chemicals and Hazardous Materials	Physical Resources

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**PROCEDURE AUTHORITY CHECK**

When procuring the categories of goods and services listed above, Departments must consult with and obtain approval from the specified Consultation Department.

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**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 Purchase Order.

- **Contract Splitting:** You are not permitted to divide up the goods and services that you require in order to lower the 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 3<sup>rd</sup> 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.

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**PROCEDURE AUTHORITY CHECK**

If the Procurement Value is \$121,200 or greater, these procedures are not applicable and the procurement should be managed by Procurement Services. Departments are not authorized to acquire goods and/or services with a value of \$121,200 or greater.

Departments are encouraged to consult with Procurement Services on all procurements, regardless of value, where the procurement will be awarded to a supplier based on price, as well as non-price factors (ie. weighted criteria).

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**How many quotes are required?**

Identify the required number of quotes based on the procurement value and type of goods/services in the table below:

Consulting Services		Goods and/or Non-Consulting Services	
Procurement Value	Minimum # of Quotes	Procurement Value	Minimum # of Quotes
\$0 - \$121,199	3 written quotes	\$0 - \$24,999	1 verbal or written quote
\$121,200 or greater	Open Competition managed by Procurement Services	\$25,000 - \$74,999	2 written quotes
		\$75,000 - \$121,199	3 written quotes
		\$121,200 or greater	Open Competition managed by Procurement Services

**STEP 3: IDENTIFY POTENTIAL SUPPLIERS**

**(a) Established Collaborative Agreement**

If the College has an [active Collaborative Agreement](#) for the required goods or services, [or there is a known Collaborative Agreement available to the college sector](#), the College’s Operating Procedure as well as the Broader Public Sector Procurement Directive (BPS Procurement Directive), requires the Department to obtain the goods and/or services through the Collaborative Agreement.

If there are multiple suppliers available under the Collaborative Agreement, the Department must obtain the required number of quotes from those suppliers. For example, if the Collaborative Agreement is for goods and/or non-consulting services and the procurement value is \$25,000 - \$74,999, the Department must obtain 2 quotes from 2 different suppliers under the Collaborative Agreement. Or, if the Collaborative Agreement is for consulting services, the Department must obtain 3 quotes from 3 different suppliers under the Collaborative Agreement. If the Collaborative Agreement specifies the process for obtaining quotes, that process should be followed. Otherwise, the appropriate process described in these procedures must be used to obtain the quotes.

When obtaining quotes from suppliers under a Collaborative Agreement, Departments must not solicit quotes from additional suppliers that are not under the Collaborative Agreement. This would not be a fair competitive process because the suppliers would be quoting based on different terms and conditions.

**OECM Collaborative Agreements**

Departments should use the 2<sup>ND</sup> Stage - Request for OECM Quick Quote (“RFQQ”) Template when soliciting quotes from suppliers under OECM Collaborative Agreements. The RFQQ Template is structured in the same manner as the Short Form Invitational RFQ Template, and users should follow the Short Form Invitational RFQ User Guide when completing it.

When selecting OECM suppliers to issue an RFQQ to, select suppliers that have already signed a Customer-Supplier Agreements (“CSA”) with the College. If that is not possible, because the College has either:

- (1) not signed a CSA with any supplier under that OECM Collaborative Agreement; or
- (2) has not signed enough suppliers to a CSA to meet the minimum quoting threshold

choose the appropriate number of suppliers to meet the minimum quoting threshold, and once the successful Supplier has been chosen, contact Procurement Services so that a CSA can be executed. Note: allow sufficient time in your process for the development and execution of the CSA, as this process can take some time to complete.

**Other Collaborative Agreements**

The list of Collaborative Agreements also includes agreements from other collaborative engagements such as local buying groups and Supply Ontario. The quoting requirements for these groups are unique, please contact Procurement Services for direction.

**(b) No Established Collaborative Agreement**

If there is no established Collaborative Agreement for the required goods and services, the Department must select suppliers to provide quotes in accordance with the following:

- **Select Qualified Suppliers offering Quality Goods and Services.** Departments must only approach or invite reputable qualified suppliers that are known to offer quality goods and services.
- **Local Suppliers Wherever Possible.** In accordance with the Building Better Ontario Businesses Act (BOBIA) and the BPS Procurement Directive, Departments shall obtain quotes from reputable and qualified suppliers that are based in Ontario. If Ontario based suppliers are not available, Departments shall obtain quotes from reputable and qualified Canadian suppliers. Departments should only solicit quotes from international sources when they cannot be obtained from domestic sources and must engage the procurement team in these instances. When comparing quotes from Ontario businesses against quotes from non-Ontario businesses, the Ontario business will be given a 10% evaluation advantage.
- **Environmental Impacts.** Departments should consider environmental impacts when selecting suppliers and aim to reduce the environmental footprint of the procurement.

- **No 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. For example, a conflict may exist if you:

- (a) are or were employed by or are being considered for employment with the supplier submitting a quote;
- (b) hold any current membership on a committee, board, or similar position with the supplier;
- (c) hold any direct or indirect ownership interest, investment interest, or compensation arrangement in connection in respect of the supplier
- (d) have a relationship with someone who has a personal or financial interest in a supplier, including spouses, family members, friends, colleagues or associates, professional partners, or any other relationship that might affect your objectivity or judgment or may give an appearance of bias.

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](#).

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#### **PROCEDURE AUTHORITY CHECK**

Departments should only solicit quotes from international sources when they cannot be obtained from domestic sources and must engage the procurement team in these instances.

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**STEP 4: OBTAIN THE QUOTES AND COMPLETE THE PROCUREMENT**

Identify the required process based on the procurement value and type of goods/services in the table below and follow the identified process which is described in more detail below the table.

<b>Consulting Services</b>	
<b>Procurement Value</b>	<b>Type of Process</b>
\$0 - \$121,199	<a href="#"><u>Invitational Competition Process</u></a>
<b>Goods and/or Non-Consulting Services</b>	
<b>Procurement Value</b>	<b>Process Required</b>
\$0 - \$4,999	<a href="#"><u>Low Value Process</u></a>
\$5,000 - \$24,999	<a href="#"><u>Single Quote Process</u></a>
\$25,000 - \$121.199	<a href="#"><u>Invitational Competition Process</u></a>

**LOW VALUE PROCESS**

This process is for Goods/Non-Consulting Services with a Procurement Value under \$5,000.

- If you are buying goods and/or non-consulting services and the procurement value is under \$5,000, you require one verbal or written quote.
- You may obtain a verbal or written quote by phone, email, catalogue, or website.
- If the supplier will be performing work on College property or at College events, the Department is responsible for obtaining the supplier’s WSIB and insurance certificates.
- You may pay for the goods and/or services with your P-Card or contact Accounts Payable to process payment of an approved supplier’s invoice.

**PROCEDURE AUTHORITY CHECK**

If the supplier will be performing work on College property or at College events, the Department is required to obtain the supplier’s WSIB and insurance certificates.

**SINGLE QUOTE PROCESS**

This process is for Goods/Non-Consulting Services with a Procurement Value of \$5,000 - \$24,999.

- If you are buying goods and/or non-consulting services and the procurement value is between \$5,000 and \$24,999, you require one written quote.
- You may obtain the quote by email. If you speak to the supplier by phone, you must require the supplier to follow up with a written quote by email.

- If the supplier will be performing work on College property or at College events, the Department is responsible for obtaining the supplier's WSIB and insurance certificates.
- You may pay for the goods and/or services by contacting Accounts Payable to process payment of an approved supplier's invoice, or you may opt to follow the Requisition and PO Process: (Obtaining a PO is recommended whenever possible as it ensures compliance with procurement requirements, and ensures vendors are approved and setup for payment in a timely manner)

When following the **Requisition and PO Process**:

- The Department enters the Requisition in the PeopleSoft system in order to obtain Budget Manager approval for the procurement and allow Procurement Services to generate a PO. When entering the Requisition, the written quote must be uploaded.
- If there is any problem with your Requisition, such as missing quote, or incorrectly entered information, Procurement Services will advise the Requisitioner of the problem and it will be the responsibility of the Department to resolve the problem.
- If everything is in order, the Requisition will be approved, and a PO will be created and signed by Procurement Services. Procurement Services will send the PO to the Supplier and notify the Department.

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#### **PROCEDURE AUTHORITY CHECK**

If the supplier will be performing work on College property or at College events, the Department is required to obtain the supplier's WSIB and insurance certificates.

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#### **INVITATIONAL COMPETITION PROCESS**

This process is for Consulting Services with a Procurement Value of \$0 - \$121,199 and Goods/Non-Consulting Services with a Procurement Value of \$25,000 - \$121,199

Consulting Services: If you are buying consulting services of any value under \$121,200, you require three written quotes.

Goods/Non-Consulting Services: If you are buying goods and/or non-consulting services and the procurement value is between \$25,000 and \$74,999, you require two written quotes; if the procurement value is between \$75,000 and \$121,199, you require three written quotes.

- Whenever possible, the quotes should be obtained by issuing a Short Form Invitational RFQ to the suppliers you've identified.
- Prior to commencing the process, Departments should contact the identified suppliers to (a) confirm their interest in participating in the invitational competitive process and (b) to obtain the name and email of the appropriate contact person for purposes of issuing the RFQ.



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### PROCEDURE AUTHORITY CHECK

If you determine that there is only one supplier that is able to provide the goods and/or services you require, you must obtain authority to proceed through the approval of a Non-Competitive Procurement Request Form.

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When conducting an Invitational Competition Process, Departments must follow the steps and comply with the instructions below:

- 1. Prepare RFQ Document.** Whenever possible, the College's Short Form Invitational RFQ templates should be used. Follow the [Short Form Invitational RFQ Template User Guide](#) to prepare the RFQ document.
- 2. Email RFQ to Suppliers.** To ensure no unfair advantage, all invited suppliers must be sent the RFQ document at the same time in a single email to the supplier contacts. To preserve the confidentiality of the identities of supplier contacts, the sender must address the email to their own College email address while blind copying (BCC) the recipients of the RFQ.
- 3. Monitor Email for Supplier Questions.** Suppliers must send any questions about the RFQ to the email address specified for the "College Contact" in the RFQ. No verbal inquires or responses are to be received from or provided to suppliers, except in the context of a scheduled site visit.
- 4. Responding to Supplier Questions.** Supplier questions must be responded to in a question-and-answer format in an addendum that is sent to all supplier contacts. Use the [RFQ Addendum Template](#). The addendum includes sections for "Questions and Answers" and "RFQ Revisions and Clarifications". Do not include the suppliers' names or otherwise identify who submitted the question.
- 5. Amending the RFQ.** If you need to make changes to the RFQ, use the [RFQ Addendum Template](#) and clearly state what is being deleted/replaced or amended. If you revise the RFQ within 2 business days of the submission deadline, you should extend the submission deadline to give suppliers time to consider the new information and prepare their quotes.
- 6. Sending Addenda.** When sending an addendum, convert it to PDF and email to the invited suppliers. Send all supplier contacts the addendum at the same time by addressing the email to your own College email address while blind copying (BCC) the recipients of the RFQ.
- 7. Managing Site Visits.** If the RFQ process includes a site visit, all information that is communicated to attendees must be carefully documented. If anything is discovered or discussed that conflicts with or alters the information that is in the RFQ, an addendum must be issued to formally amend the RFQ. It is preferable to conduct the site visit as a "walk through" and require that suppliers submit any questions by email following the site visit. If you do take questions during the site visit, you must document the questions and the responses and issue them in an addendum that is sent out following the site visit.

- 8. Open the Quotes.** Open the quotes that are received by the submission deadline. Quotes received after the submission deadline must not be considered. A reply should be sent to the supplier:

*Thank you for your quote. Unfortunately, your quote was received after the submission deadline stated in the RFQ and will not be considered.*

- 9. Select the Successful Supplier.** Assess the quotes based on the lowest total price and select the successful supplier. You must select the lowest price quotation and must not base your selection on any undisclosed criteria.

- 10. Cancelling the RFQ Process.** The RFQ process must only be cancelled for legitimate reasons. Cancelling and commencing a new competitive process with the same scope of work is contrary to public procurement standards. Possible reasons for cancellation include:

- The lowest quotation is over budget.
- The Department no longer requires the goods and services.
- Something occurred that undermined the fairness of the competitive process.

If you need to cancel the RFQ process, a cancellation notice should be sent to the suppliers:

*The RFQ process has been cancelled due to [explain reason]. Thank you for participating in this process and we sincerely regret any inconvenience this may have caused.*

- 11. Notify the Successful Supplier.** Notify the successful supplier and request any required documentation including proof of insurance, WSIB clearance certificate, and forward to Administrative Officer, Finance and Administration. If they are a new supplier that has not previously been issued a PO by the College, you will need to send and collect the Supplier Data Record, and forward to Procurement Services. Subject: [RFQ Title] – SELECTION NOTICE

*The College is pleased to inform you that you are the successful supplier in the RFQ process. Please provide the following documents as soon as possible, and no later than five (5) business days following the date of this notice:*

- *Insurance certificates for required insurance coverage*
- *WSIB Clearance Certificate (include if applicable)*
- *Supplier Data Record (if a new supplier)*

*Once the required documents are received, the College will issue the Purchase Order. No contractual relationship will be formed until the College has issued a Purchase Order for the goods and/or services.*

- 12. Collect the Requested Documentation.** Monitor your email for the supplier's reply and, once received, confirm receipt of the documentation. If you have not received the requested documentation from the supplier by the fourth day after sending the selection notice, send the supplier a reminder.

**13. Complete the Requisition and PO Process.** Before you can request or acquire any goods or services from the supplier, which are valued at \$25,000 or more, you must complete the Requisition and PO Process:

- Enter the Requisition in the PeopleSoft system in order to obtain approval for the procurement and generate a Purchase Order (“PO”). When entering the Requisition, you must upload the RFQ that was issued, including any addenda, and the quotes that were received.
- If there is any problem with your Requisition, such as non-compliant process, missing documents, or incorrectly entered information, Procurement Services will advise the Requisitioner of the problem and it will be the responsibility of the Department to resolve the problem.
- If everything is in order, the Requisition will be approved, and a PO will be created and signed. Procurement Services will send the PO to the Supplier and will notify the Department.
- The PO will incorporate the College’s Purchase Order Terms that are referenced in the RFQ. Departments must not accept a supplier’s contract terms and conditions or negotiate changes to the Purchase Order Terms.

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#### PROCEDURE AUTHORITY CHECK

Procurements valued at \$25,000 or more must follow the Requisition and PO Process, which must be complete prior to a supplier providing any goods or services to the Department. Departments are not authorized to acquire goods and/or services until they receive notification that the PO has been sent to the supplier.

If the supplier will be performing work on College property or at College events, the Department is required to obtain the supplier’s WSIB and insurance certificates.

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**14. Notify Unsuccessful Suppliers.** After the PO has been sent to the successful supplier, the Department should notify the unsuccessful supplier(s):

*Please be advised that the RFQ process has concluded and, unfortunately, you were not the successful supplier. Thank you for participating in this process.*

**15. Maintaining Confidentiality.** Departments are responsible for ensuring all quotations and supplier information remain strictly confidential. Information about a supplier’s quotation must not be discussed or disclosed to other suppliers.

**16. Retain Procurement Records.** Department must ensure all procurement documentation is maintained for audit purposes, including the RFQ document that was issued, any addenda and any other correspondence with the suppliers, the quotes that were received, the insurance documentation and the PO.

RFQ ADDENDUM TEMPLATE

Addendum # X

RFQ Title: [insert title]

Date: [insert date]

This addendum will form a part of the RFQ. In the event of any inconsistent information, this addendum will take precedence over the original RFQ document and any prior addenda.

**Questions and Answers:**

The following questions have been received, with the responses noted below.

**Question #1:** [reproduce supplier's question here]

**Answer #1:** [provide an answer here]

**RFQ Revisions and/or Clarifications:**

**[Include any revisions or clarifications to the RFQ. For example, if you want to extend the Submission Deadline: The deadline for Quotation Submission specified on the cover page of the RFQ has been extended. The revised deadline for Quotation Submission is: 2:00:00 PM ET on Month DD, YYYY.]**

**STEP 5: MANAGE SUPPLIER'S PERFORMANCE OF DELIVERABLES**

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.

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**PROCEDURE AUTHORITY CHECK**

Departments are not authorized to extend a PO beyond the maximum duration of the original term and/or purchase additional goods and services that were not included in the original PO without obtaining approval for a Non-Competitive Procurement.

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