

<b>BUSINESS AND BOARD ADMINISTRATION</b>	<b>3000</b>
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1. Policy

It is the policy of Lakehead District School Board to ensure that all goods and services are procured at the most economical value with consideration given to price, quality, quantity, delivery, market trends and environmental concerns in compliance with federal and provincial directives, policies, and regulations. The primary objective is to obtain maximum value for public funds expended through a process that ensures that all qualified vendors are treated fairly and that the Board's character values are upheld. Clear procedures for competitive procurement and contracting will enable the efficient execution of supply chain tasks, mitigate





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access to public sector procurement for local suppliers. Thresholds are as follows:  
 Goods and Services +\$100,000; Construction +100,000.

5.3 Canadian Law of Competitive Process and Contract Law

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When the purchasing department initiates a competitive procurement tender, the law of competitive processes applies. Contract “A” is formed when bids are received. Board staff must take special care understanding the implications of contract formation. A breach may occur if the Board were to provide information or change the specifications, enter into negotiations with any bidder or deviate from the process described in the bid documents, during the competitive process.

When an award of the competitive process is made, Contract B is formed whereby the Board enters into a contractual agreement with a supplier. The agreement creates obligations on both parties and is subject to applicable contract law.

5.4 Municipal Freedom of Information and Protection of Privacy Act (MFIPPA)

The purpose of MFIPPA is to ensure b

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7. Non-Competitive Procurement Processes (exemptions from the Competitive Process)

7.1 In certain unique circumstances, the Board will not have the ability to go through a competitive process activity. The purchasing department would then go directly to one supplier to meet the requirements of the Board, providing that it does not do so for the purposes of avoiding competition between suppliers or to discriminate against suppliers.

Sections 7.3 and 7.4 outline the applicable exception clauses.

7.2 A discretionary form (Appendix A) justifying a direct award decision must be completed by the manager/principal/designate and submitted for appropriate approval by the superintendent of business and the supervisor of financial services. All discretionary purchase forms will be kept on file in the purchasing department for audit purposes.

There are three main types of direct awards:

7.3. Single Sourcing is a non-competitive procurement process to acquire goods, services or construction from a specific supplier even though there may be more than one supplier capable of delivering the supplier even though t-5(3pl)7(in)4S55 Tm02r00.00000900912 0 612 W\*n8

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- 7.4.2 Where there is an absence of competition for technical reasons and that the goods or services can only be supplied by a particular supplier and no alternative or substitute exists.
- 7.4.3 For the purchase of goods on a commodity market.
- 7.4.4 For work to be performed on property by a contractor according to provisions of a warranty or guarantee held in respect of the property or the original work.
- 7.4.5 For the procurement of subscriptions to newspapers, magazines or other periodicals.
- 7.4.6 For the procurement of real property.
- 7.4.7 For the procurement of goods or services the supply of which is controlled by a supplier that is a statutory monopoly.
- 7.4.8 For a contract to be awarded to the winner of a design contest.
- 7.4.9 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.
- 7.4.10 For the purchase of goods under exceptionally advantageous circumstances such as bankruptcy or receivership, but not for routine purchases.
- 7.4.11 For the procurement of original works of art.
- 7.4.12 For work to be performed on or about a leased building or portions thereof that may be performed only by the lessor.
- 7.5 Purchase by Negotiation shall apply when, in the judgment of the purchasing department, in consultation with the initiating superintendent, manager, or principal, any of the following conditions exist:
  - the extension or revision of an existing contract would prove more cost effective or beneficial – any extension must be approved using a Contract Extension Approval form;
  - due to market conditions, goods are in short supply;
  - there is only one known source of the goods or service;
  - the lowest bid received substantially exceeds the estimated budget;
  - all bids received fail to comply with the specifications, tender terms and conditions, and it is not practical to recall tenders; and

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when only one bid is received through the tendering system.

8. Competitive Procurement Processes

8.1 Request For Quotation (RFQ)

Used for purchases that are estimated to be greater than \$10,000 and less than \$50,000. RFQ is a more informal method of solicitation in that the bids are not required to be sealed. A minimum of three written quotes are required. A RFQ usually focuses the evaluation criteria on price and delivery.

8.2 Request For Tender (RFT)

Used for purchases where the goods or services can be specified and are estimated to be greater than \$50,000 and less than \$100,000. The RFT is a formal method of solicitation in that sealed bids are required. An RFT usually focuses the evaluation criteria predominantly on price and delivery requirements.

8.3 Request For Proposal (RFP)

Used where the product or service cannot be specified, but the need, problem or goal is identified. Bidders must support their proposal by describing their relevant experience and capabilities, qualification and solution to our need. The proposals are evaluated on a technical and cost merit. This process uses predefined evaluation criteria in which price is not the only factor.

8.4 Request For Expression of Interest (RFEI) or Request For Information (RFI)

Used for gathering information from potential suppliers as to how they would deal with a certain scenario or problem, and determine the interest level of suppliers in participating in a procurement process. It can lead to a formal competitive

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- ii) pre-qualifying suppliers who are interested in supplying materials or services in the future. The result of this procedure is a Vendor of Record (VOR) or a preferred suppliers list.

The RFSQ will contain specific language to disclaim any obligation on the part of the Board to actually call on or award a contract to any supplier as a result of the pre-





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18. Contract Award

- 18.1 An award will be made to the compliant bidder with the highest score, who has met all mandatory requirements set out in the procurement document. Lakehead District School Board is not obligated to accept the lowest bid.
- 18.2 The award of any bid will be made in writing and may be subject to the successful bidder entering into a contract that is satisfactory Lakehead District School Board.
- 18.3 Unsuccessful bidders will be provided with the name of the successful bidder(s) and contract award amount or

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20.3 Where the provision of information is not satisfying, a bidder may request, in writing, a meeting with the supervisor of financial services including members of purchasing staff, if required, and the superintendent of business.

20.4 A record of all debriefings will be kept on file.

21. Vendor Suspension/Removal from Bidder's List

21.1 The purpose of vendor suspension is to uphold the integrity of Lakehead District School Board's bidding process and protect Lakehead District School Board from risks associated with awarding contracts to suppliers having exhibited an inability or unwillingness to fulfill contractual requirements.

21.2 The department, school or user group that orders goods or services provided by a supplier is responsible for evaluating vendor performance in the delivery of goods or services. Should a user experience problems with a vendor's performance, the specific details must be documented in writing and forwarded to the purchasing department. The purchasing department will determine the appropriate action.

21.3 The supervisor of financial services, with approval from the superintendent of business, has the authority to suspend a business from participating in any Lakehead District School Board solicitation process.

Steps leading to suspension will be as follows:

- i) discussion with the vendor and/or verbal warning;
- ii) written warning signed by the supervisor of financial services; and
- iii) written suspension signed by the supervisor of financial services and superintendent of business.

21.4 The suspension shall be for a period of no less than six months but not exceed three years.

21.5 In order for a vendor to modify or shorten the suspension period, supporting documentation must be submitted to the supervisor of financial services indicating:

- i) genuine change in the ownership and management of the business; and
- ii) elimination of the cause for which the suspension was imposed.

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- 21.6 Upon termination of the suspension period, suppliers shall be eligible to participate in the bidding process. No written notice will be sent to the supplier unless the period has been shortened.
- 21.7 If a supplier is suspended a second time for the same cause, the Board reserves the right to impose permanent suspension.
- 21.8 Suspension may occur for the following reasons:
  - 21.8.1 Unsatisfactory performance, unless caused by acts beyond the control of the business.

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