

Section	Procedure Number
<b>Finance</b>	<b>RCJTC AP.06.08.01</b>
Procedure Title	
<b>Purchasing</b>	
Date	Revised
<b>March 7, 2016</b>	

## 1. Supply Chain Activities / Procurement

As a rule, supply chain activities are subject to direct procurement without competition through a non-competitive method – petty cash, P-card, purchase order – or a competitive method – open or invitational competition.

**Competitive** procurement is a set of procedures for developing a procurement contract through a bidding or proposal process.

**Invitational** competitive procurement is the contractual acquisition (purchase or lease) by the RCJTC of any good or service, which enables some and/or prequalified suppliers to compete in a fair and open environment, and where a submission of written proposal by a minimum of 3 qualified suppliers is recommended.

**Open** competitive procurement is the contractual acquisition (contract or lease) by the RCJTC of any good or service, which enables all suppliers to compete in a fair and open environment. All open competitive procurements will be publicly posted on the web.

At no time will the RCJTC discriminate or exercise preferential treatment in awarding a contract to a supplier as a result of a competitive procurement process.

## 2. Consulting

**Consultant** is defined as a person or entity that under an agreement, other than an employment agreement, provides expert or strategic advice and related services for consideration and decision-making.

**Consulting Services** is defined as the provision of expertise or strategic advice that is presented for consideration and decision-making.

Both methods competitive and non-competitive will be documented with rationale. Procurement and resulting contracts will be managed responsibly and effectively in line with the procedures established herein.

A conflict of interest must be avoided throughout the whole procurement process so as

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to ensure fairness and transparency.

Any bid dispute will be resolved in line with the established bid dispute resolution procedures (as indicated in the procurement document) so as to address suppliers' concerns related to any aspect of the procurement process.

### 3. Procurement Approval Authority and Procurement Roles

The Procurement Approval Authority Schedules (AAS) table below outlines the total procurement values, their corresponding means of procurement as well as any one individual with the minimum-level authorities that may be authorized to commit the RCJTC to procurement:

<b>Goods/Services and Non-Consulting Services</b>		
<b>Total Procurement Value</b>	<b>Means of Procurement</b>	<b>Approval Authority Schedule</b>
≤ \$300	Petty Cash	1. General Manager 2. Administrative Assistant
>\$300 and ≤\$3,000	Corporate Credit Card/Procurement Card	1. General Manager 2. Administrative Assistant 3. Transportation Supervisor
>\$3,000 and ≤\$10,000	Purchase Order	1. General Manager
>\$10,000 and ≤\$25,000	Invitational Competitive	1. General Manager
>\$25,000 and <\$100,000	Invitational Competitive	1. Administrative Committee
≥\$100,000 and ≤\$250,000	Open Competitive	1. Administrative Committee
>\$250,000	Open Competitive	1. Administrative Committee (Board to be advised)

<b>Consulting Services</b>		
<b>Total Procurement Value</b>	<b>Means of Procurement</b>	<b>Approval Authority Schedule</b>
≤ \$25,000	Invitational or Open Competitive	General Manager (Administrative Committee to be advised)
>\$25,000 and <\$100,000	Invitational or Open Competitive	Administrative Committee
≥ \$100,000 and ≤\$250,000	Open Competitive	Administrative Committee

> \$250,000	Open Competitive	Administrative Committee (Board to be advised)
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For the purpose of procurement, the following roles are typically established:

Functional Role	Responsibility	Accountable Party
Requisition	Authorize the procurement department to place an order	“Requestor” (Individual requesting the product or service)
Budgeting	Authorize/Confirm that funding is available to cover the cost of the order	1. General Manager if within original budget amounts 3. Administrative Committee if in excess of originally-budgeted amount (Budget holder)
Commitment	Authorize release of the order to the supplier under agreed contract terms	Non-competitive approval authority must be at least one level above “Requestor” in the AAS
Receipt	Verify that the order was physically received, correct and complete	“Requestor” (Individual receiving the goods/services)
Payment	Authorize release of payment to the supplier	“Board Designated Signing Authorities”

RCJTC may seek comparative quotes or conduct competitive procurement for any goods or services at any procurement value not listed above.

#### 4. Types of Procurement

##### **Request for Information (RFI)**

A RFI may be used when the need is to gather supplier or product information only. It is not used to pre-qualify suppliers. It is not used to award a contract.

##### **Request for Supplier Qualifications (RFSQ)**

A RFSQ may be used to gather information about supplier capabilities and qualifications in order to pre-qualify suppliers for a current or future product or service need. An RFSQ may be followed a RFP, RFT or RFQ if required. It is not used to award a contract.

##### **Request for Proposal (RFP)**

An RFP may be used for solutions for delivery of complex goods/services, or alternative solutions if specifically required. The proposal evaluation is based on multiple criteria, including price.

##### **Request for Tender (RFT)**

An RFT may be used for goods/services where delivery requirements, performance specification, terms and conditions are stated. The proposal evaluation is based predominantly on the price and delivery requirements.

### **Request for Quotation (RFQ)**

An RFQ may be used for goods/services which are exactly described. The proposal evaluation is based solely on the price.

## **5. Posting Documents/Calls**

Calls for open competitive procurements will be made through an electronic tendering system readily accessible by all Canadian suppliers.

A minimum response time of 15 calendar days will be provided to supplier for procurement of goods/services valued at \$100,000 or more.

A minimum response time of 30 calendar days will be provided to supplier for procurement of goods/services of high complexity, risk, and/or dollar value.

The only person authorized to communicate about the procurement process and documents with potential suppliers/bidders is the procurement lead. All communication must be held formally and in writing.

## **6. Non-Competitive Procurement Process and Procedures**

The RCJTC may utilize non-competitive procurement in situations outlined in the exemption, exception, or non-application clauses of the Agreement on Internal Trade (AIT) or other trade agreements.

The RCJTC may conduct non-competitive procurement in the circumstances known as single-source situations and as specified in the BPS Procurement Directive; provided that it does not do so for the purposes of avoiding competition between suppliers or to discriminate against suppliers.

Where only one supplier is able to meet the requirements of procurement (circumstances known as sole-sourcing), the RCJTC may conduct non-competitive procurement in such situations as specified in the BPS Procurement Directive; provided that it does not do so for the purposes of avoiding competition between suppliers or to discriminate against suppliers.

Prior to commencement of non-competitive procurement, supporting documentation will be completed and approved by RCJTC General Manager.

## **7. Executing the Contract**

The agreement between the supplier and the RCJTC will be formally defined using the form of agreement that was released with the competitive procurement documents. All contracts will include the term of the agreement, any extension clauses and the appropriate cancellation and/or termination clauses.

Work shall not commence until the form of agreement has been executed by both parties.

## **8. Contract Award**

For procurements valued at \$100,000 or more, the RCJTC will post the contract award notification in the same manner that the procurement documents were posted.

#### **9. Supplier Debrief**

For procurements valued at \$100,000 or more, the RCJTC will offer a supplier debrief to all unsuccessful bidders.

#### **10. Contract Management**

Procurements and the resulting contracts will be managed responsibly and effectively. Supplier performance will be managed and documented, and any performance issues must be addressed.

To manage disputes with suppliers throughout the life of the contract, the RCJTC will include a dispute resolution process in its contracts.

#### **11. Procurement Records Retention**

For reporting and auditing purposes, all procurement documentation, as well as any other pertinent information will be retained in a recoverable form for a period of seven (7) years.

The procurement lead is responsible for verification of the accuracy and completeness of all documentation and its archiving.

#### **12. Conflict of Interest**

The RCJTC will monitor any conflict of interest that may arise as a result of the employees' and stakeholders' of the RCJTC, advisors', external consultants', or suppliers' involvement with the supply chain activities.

The RCJTC will require and enforce a declaration of actual or potential conflicts of interest from all individuals involved with the supply chain activities through its procurement documents.

Where a conflict of interest arises, it will be evaluated by the RCJTC staff and an appropriate mitigating action will be taken.

#### **13. Bid Dispute Resolution**

Competitive procurement documents will outline bid dispute resolution procedures to ensure that any dispute is handled in an ethical, fair, reasonable and timely fashion.

#### **Related RCJTC Policy:**

*P.06.08 Purchasing Policy*

#### **Related RCJTC Administrative Procedures**

*AP.06.08.02 Supply Chain Code of Ethics*