

# Condominium Authority of Ontario

## Procurement Policy

### 1.0 Purpose

This Policy supports the Condominium Authority of Ontario's (CAO) acquisition of goods and services to meet its need in the most economical, fair and efficient manner.

### 2.0 Definitions

- (a) "CAO" means the Condominium Authority of Ontario and the Tribunal.
- (b) "Board" means the Board of Directors of the CAO.
- (c) "Consulting Service" means the provision of expertise or strategic advice that is presented for consideration and decision-making (consulting services are further defined in the policy)
- (d) "Goods and services" mean any goods, construction, and services, including but not limited to IT (Information Technology) and consulting services
- (e) "Information Technology" (IT) means the equipment, software, services and processes used to create, store, process, communicate and manage information.

### 3.0 Background

The CAO is an organization that focuses on consumer protection and supporting healthy condo communities across Ontario. The CAO provides information, training, dispute resolution, and other services to help improve condominium living.

As a new administrative authority, the CAO requires the procurement of a number of goods and services to meet its needs.

The CAO is committed to procurement processes that are fair, open, transparent, consistent, geographically neutral, and accessible.

This Policy also applies to all CAO personnel involved in the purchase and acquisition of goods and services.

## 4.0 Important Information

### 4.1 Principles

- (a) Goods and services shall be procured only after consideration of business requirements, alternatives, timing, and adherence to all documented procurement methods.
- (b) Access for qualified vendors to compete for business shall be open. The procurement process shall be conducted in a fair and transparent manner, providing equal treatment to vendors. Access shall be geographically neutral with respect to other jurisdictions that practice reciprocal non-discrimination in Ontario.
- (c) The procurement of goods and services shall be responsibly and effectively managed through appropriate organizational structures, systems, policies, processes, and procedures.
- (d) Conflict of Interest provisions will be included in procurement (tender) documents to vendors, which will outline the situations and circumstances that may give or appear to give a vendor an unfair advantage during the procurement process.
- (e) Conflict of interest, both real and perceived, shall be avoided during the procurement process and ensuing contract. Any real or perceived conflict of interest shall be declared prior to engaging in any procurement activity to the Chair of the Board. Relationships that create a perpetual reliance on a particular vendor for any particular kind of work should be avoided, or, if necessary reviewed on a regular basis.
- (f) CAO must monitor for any conflicts of interest that may arise for members of CAO board, staff, advisors, external consultants, or suppliers' before, during or after the procurement (contract award). Where a conflict of interest arises, it must be declared, evaluated, managed as needed through mitigation strategies, including potential to terminate any agreements with suppliers that do not disclose a conflict of interest.

### 4.2 Accountability Framework:

- (a) All procurement transactions will be supported by appropriate methods and approvals.
- (b) Each procurement transaction will be conducted pursuant to the mandatory process. All required documentation will be developed and maintained for verification and audit purposes.
- (c) Approvals and processes are based on total procurement values (excluding taxes). Disaggregating (breaking out) a procurement or transaction to reduce or alter values or approvals is prohibited.

## 5.0 Mandatory Requirements

Each procurement transaction must be conducted and documented pursuant to the following process:

(a) Planning:

This is an integral part of the procurement and sufficient time must be provided to develop a Business Case which:

- i) Describes the type of goods and services to be procured, and any possible alternatives;
- ii) Justifies the need for the good or service;
- iii) Estimates the total procurement value (including taxes); and
- iv) Identifies the appropriate procurement methodology and approval authority based on the type of service being procured and the value (see Appendix A).

The Business Case will be reviewed and approved by the person with the authority required to approve the procurement..

(b) Procurement Document:

Template document (i.e., Request for Proposal) to be prepared and used to procure the goods and services is developed. At minimum this document will include:

- i) A description of the needed goods or services in functional terms specific to the business needs that the good or service will serve;
- ii) The name, email and location of the person to contact for additional information on the procurement documents;
- iii) The email address, date and time limit for submitting a written proposal which responds to the documented procurement requirements; and
- iv) Detailed information about the evaluation process that will be used to assess the written proposal (i.e., mandatory requirements, rated requirements, price / cost).

(d) Submission:

Bid response times must be provided to allow vendors sufficient time to prepare and submit bid responses. At minimum, fifteen (15) calendar days should be provided.

Any additional information, clarification or modification of the procurement document will be provided via an amendment or addendum to all bidders and will be released in sufficient time prior to the submission deadline to allow bidders sufficient time to submit a responsive bid. The submission deadline may be extended to ensure sufficient time is provided to bidders.

(e) Evaluation:

Evaluation of bid responses must be consistent and in accordance with documented evaluation criteria, rating and methodology as detailed in the Procurement Document.

The evaluation process should be comprised of three components: mandatory requirements, rated requirements and price / cost. The evaluation of price / cost should be undertaken after the completion of the evaluation of the mandatory requirements and any other rated criteria.

Price / cost is an important factor, but quality, quantity, delivery, servicing, experience, and any other criteria directly related to the procurement and stated in the Procurement Document's evaluation section must also be taken into account when evaluating the submission.

In responding to procurement documents, vendors may sometimes propose alternative strategies or solutions to the business needs or apply conditions to their responses. Unless expressly requested in the procurement documents, alternative strategies or solutions proposed by a vendor must not be considered.

If so requested, the process used to assess submissions will be disclosed to vendors, and any bid dispute will be managed in a fair, transparent and consistent manner.

(f) Commitment:

Following the evaluation process, the highest ranked submission should be selected, and the agreement, order, or contract which will commit the CAO should be signed by the individual with the authority to approve the procurement. The results of the procurement approved by the board will be presented to the Board.

## 6.0 Review of this Policy

This Policy will be reviewed at regular intervals, and no less than once every three (3) years, by the CAO's senior management and Board of Directors to ensure that it continues to effectively serve its intended purpose.

<b>Approval Authority:</b>	Condo Authority Board of Directors
<b>Previous Approval Date:</b>	January 24, 2018
<b>Review Date:</b>	March 27, 2024

## **Appendix A: Mandatory Procurement Processes and Required Approvals**

### **Mandatory Procurement Processes**

The method used to procure goods and services depends on the type of service being procured, and the value of the procurement:

- 1) **Invitational Competitive Procurement:** A method of inviting at least (3) vendors to respond electronically to a request for supply of goods and consulting or non-consulting services based on stated delivery requirements, performance specifications, terms and conditions.
- 2) **Open Competitive Procurement:** A method of inviting vendors registered on a platform (e.g., Biddingo, CAO website, CAO social media) to respond to posted procurement documents for the supply of goods and consulting or non-consulting services based on stated delivery requirements, performance specifications and terms and conditions.
- 3) **Allowable Exceptions:**
  - a) **Non-competitive Procurement** of goods and consulting or non-consulting services are only allowed in the following circumstances, subject to appropriate procurement approvals:
    - i) Where an unforeseen situation of urgency exists and the goods or services, services cannot be obtained by means of a competitive procurement process. An unforeseen situation of urgency does not occur where CAO has failed to allow sufficient time to conduct a competitive procurement process.
    - ii) Where goods or services regarding matters of a confidential or privileged nature are to be purchased and the disclosure of those matters through a competitive procurement process could reasonably be expected to compromise confidentiality, cause economic disruption or otherwise be contrary to the public interest.
    - iii) Where a competitive process could interfere with CAO's ability to maintain security or order or to protect human life or health.
    - iv) Where there is an absence of any qualified bids in response to a competitive procurement process that has been conducted in compliance with this policy.

- v) Where the Procurement is with another public body.
  - vi) Where only one supplier can meet the requirements of a Procurement in the following circumstances:
    - i. To ensure compatibility with existing goods and services. Compatibility with existing goods or services may not be allowable if the reason for compatibility is the result of one or more previous non- competitive Procurements.
    - ii. To ensure exclusive rights, such as exclusive and/or perpetual licenses, copyright and patent rights, or for specialized products that must be maintained by the manufacturer or its representatives.
    - iii. For the Procurement of goods and services the supply of which is controlled by a supplier that has a statutory monopoly.
  - vii) Where only one supplier of goods or non-consulting services is able to meet the requirements of a Procurement in the following circumstances:
    - i. For work to be performed on or about a leased building or portions thereof that may be performed only by the lessor.
    - ii. For work to be performed on property by a Contractor according to provisions of a warranty or guarantee held in respect to the property or original work.
    - iii. For the procurement of subscriptions to newspapers, magazines, or other periodicals.
    - iv. For the purchase of real property.
- b) **Staff Augmentation** recruited to supplement permanent FTE complement on interim or part-time basis, may be continued following an initial competitive process to retain specific expertise/knowledgebase and maintain business continuity.

## Proposed Approval Authority

### Consulting Services

Procurement Method	Procurement Value (Excluding taxes)	Approval
Invitational Competitive	\$0 up to including \$20,000	CFOO or Chief Executive Officer & Registrar
	\$20,001 up to including \$121,200	Chief Executive Officer & Registrar
Open Competitive	\$0 up to including \$20,000	CFOO or Chief Executive Officer & Registrar
	\$20,001 up to including \$250,000	Chief Executive Officer & Registrar
	\$250,001 and more	CAO Board of Directors

Non-Competitive (See Appendix in Policy Procurement for Allowable Exceptions)	\$0 up to including \$100,000	Chief Executive Officer & Registrar
	\$100,000 and more	CAO Board of Directors

### Non-consulting Goods and Services

Procurement Method	Procurement Value (Excluding taxes)	Approval
Invitational Competitive	\$0 up to including \$20,000	CFOO or Chief Executive Officer & Registrar
	\$20,000 up to including \$250,000	Chief Executive Officer & Registrar
	\$250,001 and more	CAO Board of Directors
Open Competitive	\$0 up to including \$20,000	CFOO or Chief Executive Officer & Registrar
	\$20,001 up to including \$250,000	Chief Executive Officer & Registrar
	\$250,001 and more	CAO Board of Directors
Non-Competitive (See Appendix in Policy for Allowable Exceptions)	\$0 up to including \$250,000	Chief Executive Officer & Registrar
	\$250,001 and more	CAO Board of Directors