

PROCUREMENT PRACTICES AND SPENDING LIMITS

PURPOSE:

To ensure contracts are tendered as/when applicable consistent with Ontario *Broader Public Sector Accountability Act, 2010*, Ministry and/or other funder guidelines, or to ensure a procurement process that is fair, transparent and in alignment with the Broader Public Sector Procurement Directive Principles.

The Board of Directors delegates its signing authority to the Executive Director, within the limits indicated in this policy.

POLICY:

Consistent with Ontario Broader Public Sector Procurement Directive April 1, 2024, Ministry funding guidelines and other funder requirements, all one-time, non-employment expenditures for single items will be tendered as follows (all amounts noted in the Approval Authority Schedule below shall include all non-refundable taxes).

Haldimand-Norfolk R.E.A.C.H. will comply with the Mandatory Requirements set forth in the Broader Public Sector Procurement Directive and as outlined in the policy below:

1. Mandatory Requirement #1: Segregation of Duties

Segregation of duties prevents any person from controlling the entire procurement process by segregating approvals for the key stages of the procurement process. At least three of the five functional procurement roles: Requisition, Budgeting, Commitment, Receipt and Payment, will be segregated. Responsibilities for these roles must lie with different departments or, at a minimum, with different individuals.

2. Mandatory Requirement #2: Approval Authority Schedule (AAS)

AAS ensures an effective system of internal control is in place and financial transactions are recorded, reported, processed efficiently and timely.

Goods and Non-Consulting Services		
Procurement Value	Procurement Method	Approval Authority
\$0 up to \$2,999.99	No quotes or tenders required.	Manager
\$3,000.00 up to \$4,999.99	Invitational Competitive Procurement (minimum of three suppliers are invited to respond with a written or verbal documented quote)	Manager

Goods and Non-Consulting Services		
Procurement Value	Procurement Method	Approval Authority
\$5,000.00 up to \$24,999.99	Invitational Competitive Procurement (minimum of three suppliers are invited to submit a quote)	Director of Services
\$25,000.00 up to \$99,999.99	Invitational Competitive Procurement (minimum of three suppliers are invited to submit a quote)	Executive Director and Finance Manager
\$100,000.00 up to \$120,999.99	Invitational Competitive Procurement (minimum of three suppliers are invited to submit a quote)	Board of Directors
\$121,000.00 or more	Open Competitive Public Tender after being approved by a motion passed by H-N R.E.A.C.H.'s Board of Directors	Board of Directors

Consulting Services		
Procurement Value	Procurement Method	Approval Authority
\$100,000.00 up to \$120,999.99	Invitational Competitive Procurement (minimum of three suppliers are invited to submit a quote)	As per AAS for goods and non-consulting services
\$121,000.00 or more	Open Competitive Public Tender after being approved by a motion passed by H-N R.E.A.C.H.'s Board of Directors	As per AAS for for goods and non-consulting services

3. Mandatory Requirement #3: Competitive Procurement Thresholds

Goods and Non-Consulting Services		
Procurement Value	Procurement Method	Recommended/Required
\$0 up to \$2,999.99	Petty cash, on account charge with supplier, agency credit card	Recommended
\$3,000.00 up to \$4,999.99	On account charge with supplier, agency credit card	Recommended
\$5,000.00 up to \$24,999.99	On account charge with supplier, agency credit card, invitational competitive procurement	Recommended
\$25,000.00 up to \$99,999.99	Invitational Competitive Procurement (minimum of three suppliers are invited to submit a quote)	Required
\$100,000.00 up to \$120,999.99	Invitational Competitive Procurement (minimum of three suppliers are invited to submit a quote)	Required

Goods and Non-Consulting Services		
Procurement Value	Procurement Method	Recommended/Required
\$121,000.00 or more	Open Competitive Procurement after being approved by a motion passed by H-N R.E.A.C.H.'s Board of Directors	Required

Consulting Services		
Procurement Value	Procurement Method	Recommended/Required
\$100,000.00 up to \$120,999.99	Invitational Competitive Procurement (minimum of three suppliers are invited to submit a quote)	Required
\$121,000.00 or more	Open Competitive Public Tender after being approved by a motion passed by H-N R.E.A.C.H.'s Board of Directors	Required

4. Mandatory Requirement #4: Information Gathering

H-N R.E.A.C.H. may use a Request for Information (RFI) or Request for Expression of Interest (RFEI) if the results of informal supplier or product research are insufficient. These requests are used for information gathering purposes only.

5. Mandatory Requirement #5: Supplier Pre-Qualification

H-N R.E.A.C.H., when deemed appropriate, will utilize a Request for Supplier Qualification (RFSQ) in order to gather information about supplier capabilities and qualifications. Terms and conditions of the RFSQ must contain language that disclaims any obligation of the agency to call on any supplier to provide goods or services as a result of pre-qualifications.

6. Mandatory Requirement #6: Posting Competitive Procurement Documents

H-N R.E.A.C.H. will ensure that calls for open competitive procurements are posted through an electronic tendering system in addition to any other format that the agency sees fit at the time of posting.

7. Mandatory Requirement #7: Timelines for Posting Competitive Procurements

H-N R.E.A.C.H. will provide suppliers a minimum response time of 15 calendar days for procurement of goods and services valued at \$121,000 or more. The agency will consider a minimum response time of 30 calendar days for procurement of high complexity, risk and/or dollar value.

8. Mandatory Requirement #8: Bid Receipt

H-N R.E.A.C.H. will ensure that bid submission date and closing time will be clearly stated in competitive procurement documents. H-N REACH will ensure the closing date of competitive procurement process will be a normal working day (Monday to Friday) excluding Provincial/National Holidays.

H-N R.E.A.C.H. will ensure that all submissions delivered after the closing time will be returned unopened.

9. Mandatory Requirement #9: Evaluation Criteria

H-N R.E.A.C.H. will ensure evaluation criteria are developed, reviewed and approved by an appropriate authority prior to commencement of the competitive procurement process. The evaluation criteria outlined in the competitive procurement documents must be used when selecting the winning submission.

10. Mandatory Requirement #10: Evaluation Process Disclosure

H-N R.E.A.C.H. will ensure competitive procurement documents fully disclose the evaluation methodology and process to be used in assessing submissions, including the method of resolving a tie score. H-N R.E.A.C.H. will ensure that competitive procurement documents state that any submissions that do not meet the mandatory criteria will be disqualified.

11. Mandatory Requirement #11: Evaluation Team

H-N R.E.A.C.H. will ensure an evaluation team will be established for all competitive procedure process valued at \$121,000.00 or more. H-N R.E.A.C.H. will ensure that each evaluation team member is aware of the restrictions related to utilization and distribution of confidential and commercially sensitive information collected through the competitive procurement process. H-N R.E.A.C.H. will ensure each team member sign a conflict of interest declaration and non-disclosure of confidential information agreement.

12. Mandatory Requirement #12: Evaluation Matrix

H-N R.E.A.C.H. will ensure that each evaluation team member completes an evaluation matrix, rating each of the submissions. Records of these evaluation scores will be retained for audit purposes. H-N R.E.A.C.H. will ensure that everything evaluators say or write about submissions is fair, factual and fully justifiable.

13. Mandatory Requirement #13: Winning Bid

H-N R.E.A.C.H. will ensure that the submission that receives the highest evaluation score and meets all mandatory requirements set out in the competitive procurement documents will be declared the winning bid.

14. Mandatory Requirement #14: Non-Discrimination

H-N REACH will ensure non-discrimination or exercise preferential treatment in awarding a contract to a supplier as a result of a competitive procurement process.

15. Mandatory Requirement #15: Executing the Contract

H-N R.E.A.C.H. will ensure the agreement between the organization and the successful supplier is formally defined in a signed written contract before the provision of supplying of goods or services commences.

16. Mandatory Requirement #16: Establishing the Contract

H-N R.E.A.C.H. will ensure the contract is finalized using the form of agreement that was released with the procurement.

17. Mandatory Requirement #17: Termination Clause

H-N R.E.A.C.H. will ensure appropriate cancellation or termination clauses are contained in every contract. H-N R.E.A.C.H. may seek and obtain legal advice, as appropriate, on the development of termination clauses.

18. Mandatory Requirement #18: Terms of Agreement Modifications

H-N R.E.A.C.H. will ensure the terms of agreement and any options to extend the agreement are set out in the competitive procurement documents. An approval by an appropriate authority will be obtained before executing any modifications to the term of agreement. H-N R.E.A.C.H. will seek and obtain legal advice before executing any modifications to the terms of an agreement.

19. Mandatory Requirement #19: Contract Award Notification

H-N R.E.A.C.H. will ensure that contract award notifications valued at \$121,000.00 or more are posted in the same manner as the procurement documents were posted. Notification announcements must be posted only after the agreement between the successful supplier and H-N R.E.A.C.H. is executed. H-N R.E.A.C.H. will ensure contract award notifications list the name of the successful supplier, agreement start and end dates and any extension options.

20. Mandatory Requirement #20: Suppliers Debriefing

H-N R.E.A.C.H. will ensure that for procurement contracts valued at \$121,000.00 or more, that all unsuccessful suppliers will be informed about their entitlement to a debriefing.

H-N R.E.A.C.H. will allow unsuccessful suppliers 60 calendar days following the date of the contract notification to request a debriefing.

21. Mandatory Requirement #21: Non-Competitive Procurement

H-N R.E.A.C.H. will employ a competitive procurement process to achieve optimum value for money. It is recognized, however, that special circumstances may require the agency to use non-competitive procurement.

H-N R.E.A.C.H. may utilize non-competitive procurement only in situations outlined in the exemption, exception, or non-application clauses of applicable trade agreements.

Prior to commencement of non-competitive procurement, supporting documentation must be completed and approved by an appropriate authority within H-N R.E.A.C.H.

22. Mandatory Requirement #22: Contract Management

H-N R.E.A.C.H. will ensure all procurements and the resulting contracts will be managed responsibly and effectively.

H-N R.E.A.C.H. will ensure that all payments will be made in accordance with provisions of the contract. All invoices will contain detailed information sufficient to warrant payment. Any overpayments will be recovered in a timely manner.

Assignments will be properly documented and supplier performance will be managed and documented, and any performance issues will be addressed.

H-N R.E.A.C.H. will include a dispute resolution process in their contracts.

For services, H-N R.E.A.C.H. will:

- establish clear terms of reference for the service. The terms may include objectives, background, scope, constraints, staff responsibilities, tangible deliverables, timing, progress reporting, approval requirements, and knowledge transfer requirements.
- establish expense claim and reimbursement rules that are compliant with the Broader Public Sector Expenses Directive and ensure all expenses are claimed and reimbursed in accordance with these rules.
- ensure that expenses are claimed and reimbursed only where the contract explicitly provides for reimbursement of expenses.

23. Mandatory Requirement #23: Procurement Record Retention

H-N R.E.A.C.H. will ensure for reporting and auditing purposes, all procurement documentation, as well as any other pertinent information is retained in a recoverable form for a period of seven years.

24. Mandatory Requirement #24: Conflict of Interest

H-N R.E.A.C.H. will ensure all individuals involved with the Supply Chain Activities declare actual or potential conflicts of interests. Where a conflict of interest arises, it will be evaluated and an appropriate mitigating action will be taken.

25. Mandatory Requirement #25: Bid Dispute Resolution

H-N R.E.A.C.H. will ensure all competitive procurement documents outline a bid dispute resolution procedure to ensure that any dispute is handled in an ethical, fair, reasonable and timely fashion.

PROCEDURE:

Invitational Competitive Procurement (\$3,000.00-\$4,999.99)

The Manager will:

- identify and document the parameters and intended results of the work required;
- invite a minimum of three (3) suppliers to provide a written or document a verbal quote;
- collect and collate quote/tender responses;
- assess responses against the parameters identified for the intended work to determine the successful quote/tender;
- advise all tender applicants of the results and document the communication accordingly;
- make arrangements with the successful bidder as per H-N R.E.A.C.H.'s requirements;
- for good internal control and as part of the agency's continuous quality improvement, the Manager will keep a record containing documentation for all open invitational competitive procurement situations. Such file to be retained for a minimum of seven (7) fiscal years.

Invitational Competitive Procurement (\$5,000.00-\$24,999.99)

The Director of Services will:

- identify and document the parameters and intended results of the work required;
- invite a minimum of three (3) suppliers to provide a written quote;
- collect and collate the responses;
- assess responses against the parameters identified for the intended work;
- get approval from the Executive Director and advise all respondents of the results and document the communication accordingly;
- make arrangements with the successful respondent as per H-N R.E.A.C.H. requirements;

- for good internal control and as part of the agency's continuous quality improvement, the Director of Services will keep a record containing documentation for all open invitational competitive procurement situations. Such file to be retained for a minimum of seven (7) fiscal years.

Invitational Competitive Procurement (\$25,000.00-\$99,999.99)

The Executive Director and Finance Manager will:

- identify and document the parameters and intended results of the work required;
- invite a minimum of three (3) suppliers to provide a written quote;
- collect and collate the responses;
- assess responses against the parameters identified for the intended work;
- advise respondents of the results and document the communication accordingly;
- make arrangements with the successful respondent as per H-N R.E.A.C.H. requirements;
- for good internal control and as part of the agency's continuous quality improvement, the Executive Director will keep a record containing documentation for all open invitational competitive procurement situations. Such file to be retained for a minimum of seven (7) years.

Invitational Competitive Tender (\$100,000.00-\$120,999.99)

The Executive Director will ensure that the Invitational Competitive Tender process used by the Board of Directors follows the Broader Public Sector Procurement Directive requirements.

The Board of Director's will approve by motion the successful respondent following the invitational competitive tender process.

Open Competitive Public Tender (\$121,000.00 or more)

The Board of Director's will put out for open competitive public tender after being approved by a motion passed.

All bids will be reviewed at a Board meeting and successful bid to be approved by a motion passed by H-N R.E.A.C.H.'s Board of Directors. Any exceptions to this requirement will be subject to the approval of the Board of Directors.

The Board of Directors will ensure that the public tender competitive process follows the Broader Public Sector Procurement Directive requirements.

The Finance Manager will:

- review all invitations for written quotes and tenders before they are released;
- continue to scan all cheque runs and follow-up with the Accounting Supervisor for all individual items costing \$3,000.00 or more to ensure proper and adequate documentation is on file and above-noted procedures have been followed;
- ensure the non-arm's length quotes and/or tenders are retained on file with the vendor's invoices for a minimum of seven (7) years in accordance with Ministry and/or other funder guidelines for document retention.

PROMOTING FAIR AND OBJECTIVE BUSINESS PRACTICES

The Board shall establish and review at least annually a tendering and acceptance process for the agency for any quotations, tenders and/or purchases.

Considering Tenders

In considering tenders, the agency shall:

- (a) consider the quality of goods and services to be provided; and
- (b) base its decision on written specifications outlining resources, timing, cost and fees.

Not Choosing Low Bid

Where the lowest bid is not chosen by the person ordinarily responsible for making this decision, that person's supervisor shall approve their decision, and ensure that the reasons are documented.

Employment Contracts

The agency shall implement documented, open and competitive practices for employment opportunities, which are consistent with fair labour practices as set out in the Human Resources Manual of the agency.

Management Contracts

The property manager/management of the agency shall not have a direct or indirect interest in any other business that provides advice, goods or services to that agency.

DIRECT NEGOTIATION (Non-Competitive)

Unless otherwise provided in accordance with the procurement Policy, goods and services may be purchased using the Direct Negotiation method only if one or more of the following conditions apply:

- a. The required goods and services are reasonably available from only one source by reason of scarcity of supply in the market, or the existence of exclusive rights held by any supplier, or the need for compatibility with goods and services previously acquired and there are no reasonable alternatives or substitutes;
- b. The required goods and services will be additional to similar goods and services being supplied under an existing contract;
- c. An attempt to purchase the required goods and services has been made in good faith using a method other than Direct Negotiation which has failed to identify a successful supplier, and it is not reasonable or desirable that a further attempt to purchase the goods and services be made using a method other than Direct Negotiation;
- d. The goods and services are required as a result of an emergency, which would not reasonably permit the use of a method other than Direct Negotiation;
- e. The required goods and services are to be supplied by a particular vendor or supplier having special knowledge, skills, expertise or experience.

The Finance Unit will:

- ensure that the proper authority has authorized the payment of the invoice prior to processing a payment;
- review with the Finance Manager and the Executive Director any variations from the above-noted policy and document all such variations;
- continue to scan all EFT and cheque runs for individual items costing more than \$3,000.00 to ensure proper authorization process was followed;
- maintain records as per agency financial management practices;

The Manager will:

- authorize invoices for payment, ensuring that they remain within the spending limits outlined in this policy;
- delegate approval authority to designated supervisor for pre-authorized expenses;
- ensure invoices are authorized in writing and forwarded to the finance unit;

The Finance Manager will:

- continue to scan all EFT and cheque runs and follow-up with the Accounting Supervisor for all individual items costing \$3,000.00 or more to ensure proper and adequate authorization documentation is on file and above-noted procedures have been followed;
- ensure vendor's invoices and records of payment are kept on file for a minimum of seven (7) years in accordance with Ministry and/or other funder guidelines for document retention;

The Executive Director will:

- provide oversight and ensure compliance to the above practices.

REFERENCE: [Ontario Broader Public Sector Accountability Act](#) and associated Directives.

Definitions:

In this policy:

“Approval Authority” means the authority delegated by the agency to a person designated to occupy a position to approve on its behalf one or more procurement functions up to specified dollar limits subject to applicable legislation, regulations and procedures effect at such time.

“Conflict of Interest” means a situation in which financial or other personal considerations have the potential to compromise or bias professional judgment and objectivity. An apparent conflict of interest is one in which a reasonable person would think that the professional’s judgment is likely to be compromised.

“Construction” means construction, reconstruction, demolition, repair or renovation of a building, structure or other civil engineering or architectural work and includes site preparation, excavation, drilling, seismic investigation, the supply of products and materials, the supply of equipment and machinery if they are included in and incidental to the construction, and the installation and repair of fixtures of a building, structure or other civil engineering or architectural work, but does not include professional consulting services related to the construction contract unless they are included in the procurement.

“Consultant” means 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” means the provision of expertise or strategic advice that is presented for consideration and decision-making.

“Goods and Services” means all goods and/or services including construction, consulting services and information technology.

“Information Technology” means the equipment, software, services and processes used to create, store, process, communicate and manage information.

“Invitational Competitive Procurement” means any form of requesting a minimum of three (3) qualified suppliers to submit a written proposal in response to the defined requirements outlined by an individual/organization.

“Open Competitive Procurement” means a set of procedures for developing a procurement contract through a bidding or proposal process. The intent is to solicit fair, impartial, competitive bids.

Section: BUSINESS PRACTICES

Sub-Section: FINANCIAL

Policy Number: 2G-3

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“Procurement” means the acquisition by any means, including purchase, lease, rental or conditional sale, of goods or services.

“Request for Expression of Interest (RFEI)” means a document used to gather information on supplier interest in an opportunity or information on supplier capabilities/qualifications. A response to an RFEI will not pre-qualify a potential supplier to a potential opportunity.

“Request for Information (RFI)” means a document issued to potential suppliers to gather general supplier, service or product information. A response to an RFI will not pre-qualify a potential supplier to a potential opportunity.

“Request for Proposal (RFP)” means a document used to request suppliers to supply solutions for the delivery of complex products or services or to provide alternative options or solutions.

“Request for Supplier Qualification (RFSQ)” means a document used to gather information on suppliers and qualifications, with the intention of creating a list of pre-qualified suppliers.

“Supply Chain Activities” means all activities directly or indirectly related to the agency’s planning, procurement and payment processes.

Wendy Carron, Executive Director



Signature

Date: February 25, 2026

Reviewed and approved by the Board of Directors: February 25, 2026