

Table of Contents

PROCUREMENT POLICY	2
SECTION 1 – PURPOSE AND PRINCIPLES.....	2
SECTION 2 – INTERPRETATION AND APPLICATION.....	2
SECTION 3 – ETHICAL CONDUCT AND CONFLICTS OF INTEREST	5
SECTION 4 – ROLES AND RESPONSIBILITIES.....	5
SECTION 5 – ESTABLISHMENT OF SUPPLY ARRANGEMENTS	8
SECTION 6 – PROCUREMENT OF DELIVERABLES.....	9
SECTION 7 – SUPPLIER RELATIONS AND CONTRACT MANAGEMENT	13
SECTION 8 – PROCUREMENT RECORD-KEEPING	14
SECTION 9 – COMPLIANCE MONITORING AND REPORTING.....	15
SECTION 10 – GREEN PROCUREMENT	16
SCHEDULE A – GLOSSARY OF TERMS.....	17
SCHEDULE B – EXCLUSIONS	21
SCHEDULE C – PROCUREMENT THRESHOLDS.....	24
SCHEDULE D – THRESHOLD AND AUTHORIZATION SCHEDULE.....	25
SCHEDULE E – SUPPLIER CODE OF CONDUCT.....	31

PROCUREMENT POLICY

SECTION 1 – PURPOSE AND PRINCIPLES

1.1 Purpose

The purpose of this policy is to detail the principles, procedures, roles, and responsibilities for the Town’s Procurement operations.

1.2 Principles

The Town is committed to conducting its Procurement operations in accordance with the following principles:

- compliance and consistency with applicable legislation, trade agreements, policies, and procedures;
- open, fair, and transparent processes that afford equal access to all qualified Suppliers;
- reciprocal non-discrimination and geographic neutrality with respect to its trading partners in accordance with trade treaty obligations;
- achieving best value through consideration of the full range of Procurement formats and the adoption of commercially reasonable business practices;
- effective balance between accountability and efficiency; and
- ensuring adherence to the highest standards of ethical conduct.

SECTION 2 – INTERPRETATION AND APPLICATION

2.1 Defined Terms

Terms used in this policy are defined in the Glossary of Terms (Schedule A).

2.2 Application

This policy applies to the Procurement of all Deliverables with the exception of the exclusions set out in Schedule B of this policy. Procurement includes the acquisition of Deliverables by purchase, rental, or lease.

This policy does not apply to:

- Contracts or agreements relating to hiring of employees or employee compensation or reimbursement of employee expenses;

Town of Aurora Procurement Policy

- Contracts or agreements for the sale, purchase, lease or license of land or existing buildings; or
- Procurement conducted by Central York Fire Services, the Aurora Public Library Board or any municipal services corporation established by the Town.

2.3 Authorization Schedule

The Authorization Schedule (Schedule D) sets out the authorities for:

- a) initiating a procurement;
- b) conducting a Procurement process and approving the award of a Contract;
- c) issuing Purchase Orders and signing Contracts on behalf of the Town; and
- d) approving amendments to existing Contracts.

2.4 Procurement Protocols and Procedures

Procurement Services is responsible for developing and maintaining detailed protocols and procedures to support this policy. All procurements covered by this policy must be conducted in accordance with all applicable protocols and procedures.

2.5 Emergency Purchases

Notwithstanding any other provisions of this policy, where an emergency exists and prior approval of the Procurement Manager cannot be obtained, a Department Head, or their designate, may authorize any officer or employee to acquire required Deliverables in an expedited manner.

For greater certainty, an emergency Procurement includes any other expenditure that is necessary to respond to or effectively manage any Town emergency, or as required under the *Emergency Management and Civil Protection Act*, R.S.O. 1990, c. E.9, as amended.

Emergency procurements shall only be to the extent necessary to mitigate the immediate threat or risk, or to temporarily contain the situation or circumstance and restore services. Longer term projects or work for replacement of lost significant infrastructure must follow the provisions of this policy.

Situations of urgency resulting from the failure to properly plan for a Procurement do not constitute an emergency.

2.5.1 Purchases During a Declared Emergency or Similar

During an emergency declaration or similar situation where the CAO, or other authorized person, convenes some or all of the members of the Municipal Emergency Control Group, but for which a formal declaration of an emergency is not made, but an emergency intervention is approved, this policy is suspended only for purchases that relate directly or indirectly to the emergency situation. All other routine Procurement activities of the Town during the emergency, but unrelated, remain subject to this policy.

Purchases relating to the situation to contain and manage the emergency situation shall be authorized as set out in the Municipal Emergency Management Response Program and the Town's Treasurer shall prepare the required accountability and financial reports for Council for information following the termination of the emergency.

2.5.2 Emergency Procurement not Related to a Declared Emergency

An emergency Procurement may be made when an event occurs or a circumstance is discovered that is determined by the Department Head or the Chief Building Official to be an imminent and significant threat to, or which has already significantly affected or threatened: (a) public health; (b) the maintenance of essential Town services; (c) the safety or welfare of persons or of public property; or (d) the security of the Town's interests; but such emergency Procurement is only permitted where time does not permit open competitive bidding or obtaining invitational quotations.

2.6 Co-operative Purchasing

The Town may participate in co-operative or joint purchasing initiatives with other government agencies or public authorities where such initiatives are determined by the Procurement Manager to be in the best interests of the Town to do so. If the Town participates in such co-operative or joint purchasing initiatives, the Town may adhere to the policies of the entity conducting the purchasing process, provided that such policies comply in spirit with this policy. If the Town is leading a co-operative or joint purchasing initiative, this policy will be followed.

2.7 Piggyback Purchasing

The Town may piggyback on an existing contract by accepting the results of a competitive Procurement process of another government agency or public authority where the provisions of the original Solicitation Document allow for such a piggyback, or when the Supplier is willing to do so, and it is believed by the Procurement Manager it is in the best interest of the Town to do so. Piggyback Procurements shall be considered a Non-Standard Procurement and shall comply with the reporting and approval requirements set out in Schedule "D" - Threshold and Authorization Schedule that apply to Non-Standard Procurements.

SECTION 3 – ETHICAL CONDUCT AND CONFLICTS OF INTEREST

3.1 Conduct and Conflicts of Interest

The Town's Procurement activities must be conducted with integrity, and all individuals involved in the Town's Procurement activities must act in a manner that is consistent with the principles and objectives of this policy and in accordance with the Town's Code of Conduct, and the Council Code of Conduct.

All participants in a Procurement process, including any outside consultants or other service providers participating on behalf of the Town, must declare any perceived, possible, or actual conflicts of interest.

"Conflict of interest," when applied to the activities of the Town and its Suppliers, means a conflict or tension between one's private interests and one's public or fiduciary duties.

3.2 Supplier Conduct and Conflicts of Interest

The Town requires its Suppliers to act with integrity and conduct business in an ethical manner.

All Suppliers participating in a Procurement process or providing Deliverables to the Town must declare any perceived, possible, or actual conflicts of interest and must conduct themselves in accordance with the Supplier Code of Conduct in Schedule E of this policy.

The Town may refuse to do business with any Supplier that has engaged in illegal or unethical bidding practices, has an actual or potential conflict of interest or an unfair advantage, or fails to adhere to ethical business practices.

SECTION 4 – ROLES AND RESPONSIBILITIES

4.1 Role and Responsibilities of Council

It is the role of Council to establish policy and approve expenditures through the Town's budget-approval process. Through this policy, Council delegates to the Town's officers and employees the authority to incur expenditures in accordance with approved budgets through the Procurement of Deliverables in accordance with the rules and processes set out in this policy and applicable protocols and procedures. Council will not generally be involved in the day-to-day Procurement operations or individual Procurement processes, except to the extent that the approval of Council is required under this policy or in the event that an exception to this policy is required.

4.2 Roles and Responsibilities of Employees

Specific responsibilities pertaining to all stages of a Procurement process, from the initial identification of requirements through to the management of Contracts with Suppliers, are detailed in this policy and applicable protocols and procedures. In addition to those specific responsibilities, the general roles and responsibilities delegated to the Town's employees are set out below.

4.2.1 Procurement Manager

It is the role of Procurement Services to lead the Town's Procurement operations. In fulfilling this role, the Procurement Manager, or designate, is responsible for:

- a) ensuring the consistent application of this policy and the provision of Procurement services to the Departments efficiently and diligently;
- b) developing Procurement strategies and continually analyzing business requirements and spending patterns to identify opportunities for more strategic sourcing;
- c) researching, developing, maintaining, updating, and communicating Procurement protocols, procedures, and templates;
- d) addressing any issues or concerns that arise in respect of a Procurement process and seeking guidance, support, and advice of Legal Services, as required; and
- e) providing appropriate orientation, training, and tools to employees involved in Procurement activities.

4.2.2 Department Heads

It is the role of the Departments to ensure that their requirements for Deliverables are met in accordance with the principles and objectives of this policy. In fulfilling this role, Department Heads are responsible for ensuring that their Department complies with this policy and all applicable protocols and procedures, encouraging sound Procurement practices and ensuring the provision of appropriate education and training to employees involved in Procurement activities.

Department Heads will be held accountable for any decision to proceed with a Procurement process or transaction that is not conducted in accordance with this policy or does not have the approval of Procurement Services.

4.2.3 Department Employees

Employees of all Departments are responsible for complying with this policy. Department employees involved in Procurement activities must understand their obligations and

Town of Aurora Procurement Policy

responsibilities under this policy and all applicable protocols and procedures, and they should consult with Procurement Services in respect of any questions regarding the application or interpretation of this policy or any relevant procedures.

4.2.4 Procurement Services Employees

Employees of Procurement Services are responsible for complying with this policy and ensuring this policy and all protocols and procedures are applied consistently. Employees of Procurement Services are responsible for:

- a) providing strategic support, consultation and procurement services to the Departments efficiently and diligently;
- b) assisting with the development of Procurement strategies and analysis of business requirements and spending patterns to identify opportunities for more strategic sourcing;
- c) communicating Procurement protocols, procedures, and templates to the Town; and
- d) training clients on the procurement policy, protocols and forms.

Employees of Procurement Services must understand their obligations and responsibilities under this policy and all applicable protocols and procedures, and are responsible for complying with this policy and ensuring consistent application of this policy. Employees of Procurement Services should consult with the Procurement Manager in respect of any questions regarding the application or interpretation of this policy.

Employees of Procurement Services must understand their obligations and responsibilities under this policy and all applicable protocols and procedures, and they should consult with the Procurement Manager in respect of any questions regarding the application or interpretation of this policy, and the protocols and procedures.

4.2.5 Legal Services

It is the role of Legal Services to provide legal advice and assistance on the Town's Procurement activities and its relationships with Suppliers. In fulfilling this role, Legal Services is responsible for:

- a) advising the Procurement Manager as required on legal issues arising from Procurement activities and reviewing and approving specific Solicitation Documents and related documentation referred for legal review by the Procurement Manager;

Town of Aurora Procurement Policy

- b) providing advice on the finalization of Contracts and agreements and reviewing and advising on proposed changes to the Town's standard terms and conditions, legal agreements, and Solicitation Document templates; and
- c) providing legal advice and counsel to the Town in the event of a Contract dispute or legal challenge flowing from a Procurement process.

4.3 Procurement Governance Committee

The Town will establish a Procurement Governance Committee ("PGC") for the purpose of making determinations under:

- (a) the Procurement Protest Protocol ; and
- (b) the Supplier Suspension Protocol,

and for considering and providing input on other Procurement matters that may be referred to it by the Procurement Manager.

The PGC will include the Procurement Manager and at least two members of the Executive Leadership Team or employees of the Town. Legal Services will provide guidance and advice to the PGC, as required.

SECTION 5 – ESTABLISHMENT OF SUPPLY ARRANGEMENTS

5.1 Recurring Requirements

Before initiating a Procurement, Departments must consider the availability of existing supply arrangements. If the Deliverables will be required on a frequent or regularly recurring basis, and there is no existing supply arrangement, the Department must consult with Procurement Services about the possibility of establishing a Standing Offer or Qualified Supplier Roster.

5.2 Standing Offers

Standing Offers may be established for standardized Deliverables to be purchased by all Departments, where:

- (a) the requirements for Deliverables are recurring and predictable over an extended period of time;
- (b) the requirements are standard and clearly defined at the time of establishment of the Standing Offer; and
- (c) it is possible to fix pricing for the Deliverables for the duration of the Standing Offer.

Town of Aurora Procurement Policy

The establishment of a Standing Offer does not create a contractual commitment to procure Deliverables from the Supplier. The commitment to purchase against a Standing Offer is formed at the time a specific order is placed through the issuance of a Purchase Order to the Supplier.

The Procurement Manager is authorized to establish Standing Offers through an Open Competition. The Open Competition will be managed by Procurement Services, with the co-operation and involvement of subject-matter experts from the relevant Department(s). If multiple Standing Offers are established for the same goods or services, clear ranking methodologies and call-up procedures must be specified.

5.3 Qualified Supplier Rosters

Qualified Supplier Rosters may be established to prequalify Suppliers that will be eligible to compete for individual work assignments involving the delivery of a particular type of Deliverables, as and when required.

The establishment of a Qualified Supplier Roster does not create a contractual commitment to procure Deliverables from any of the Suppliers. When Deliverables are required, a Roster Competition will be conducted for the purposes of awarding a contract to one of the qualified Suppliers.

The Procurement Manager is authorized to conduct Open Framework Competitions to establish Qualified Supplier Rosters. The Open Framework Competition will be managed by Procurement Services, with the co-operation and involvement of the Department(s), in accordance with the Qualified Supplier Roster Protocol.

SECTION 6 – PROCUREMENT OF DELIVERABLES

6.1 Procurement Planning

Effective Procurement planning is essential to ensuring an effective result and to limit risk to the Town. Departments must follow the Procurement Planning Protocol and ensure that they leave sufficient time to plan for a procurement, including time for:

- a) developing proper specifications and business requirements;
- b) obtaining internal reviews;
- c) conducting a Competitive Process, as required; and
- d) obtaining necessary approvals.

6.2 Market Research

Where the Department is uncertain about the Deliverables required or where there is insufficient internal knowledge about the market, the Department must consult with Procurement Services about conducting a Request for Information (“RFI”) process. An RFI process must be conducted by Procurement Services, and be openly posted in order to gather market research from prospective Bidders. It must not be used as a pre-qualification tool.

6.3 Procurement Value

It is important to accurately estimate the value of the Procurement to determine the appropriate Procurement method and ensure compliance with the requirements of this policy. Possible extension years must be included in the calculation of the Procurement Value. Departments must refer to the Procurement Planning Protocol for additional guidance on determining the Procurement Value.

6.4 Contract-Splitting

Subdividing, splitting or otherwise structuring Procurement requirements or contracts in order to reduce the value of the Procurement or in any way circumvent the requirements or intent of this policy is not permitted.

6.5 Initiating Procurement

Unless specifically permitted under this policy or the Procurement protocols or procedures, Departments are not permitted to procure Deliverables or engage with potential Suppliers regarding the Procurement of Deliverables without the involvement of Procurement Services. All procurements must be initiated in accordance with the Procurement Planning Protocol.

6.6 Procurement Authorization

Before any Procurement process begins, authorization of the Procurement and delegation of authority to procure must be obtained in accordance with the Authorization Schedule.

6.7 Standard Procurement Methods

Depending on the nature, value, and circumstances of the Procurement, the Town may procure Deliverables through the following standard Procurement methods. The various thresholds are set out in Schedule C of this policy.

6.7.1 Existing Supply Arrangement

6.7.1.1 Ordering from Standing Offer

When a Standing Offer is available, its use is mandatory for all Departments. To purchase from a Standing Offer, Departments should process orders directly with the Supplier. The purchase from a Standing Offer can be made through P-Card or Purchase Order referring to the Standing Offer details should be created and sent to the Supplier as per the Contract. The Purchase Order referencing the Standing Offer and reflecting the prices and terms and conditions of the Standing Offer will be created and issued to the Supplier by the Department.

6.7.1.2 Roster Competition

If the Deliverables are available under an existing Qualified Supplier Roster, they must be acquired through a Roster Competition.

Roster Competitions will be managed by Procurement Services, with the co-operation and involvement of the Department, in accordance with the Qualified Supplier Roster Protocol.

6.7.2 Low-Value Procurement

Where the Procurement Value is below the Low-Value Purchase Threshold and the Deliverables are not covered under an existing Standing Offer or Qualified Supplier Roster, Departments may make Low-Value Procurements without the involvement of Procurement Services.

It is the responsibility of the Department to determine if there is an existing Standing Offer or Qualified Supplier Roster for the required Deliverables before making a purchase. When available, the Deliverables must be purchased in accordance with the terms of the Standing Offer or in accordance with the Qualified Supplier Roster Protocol.

For Low-Value Procurements, the Department is only required to obtain one quote and may acquire the Deliverables using a corporate purchasing card or by submitting a Purchase Order requisition to be approved by the Manager or Department Head based on the individual's Financial Authority.

Where practical, Departments are encouraged to obtain multiple quotes to ensure they are obtaining the best value. Quotes may be obtained through advertisements or Supplier catalogues or by contacting the potential Supplier(s) by telephone or email.

The Department Head is responsible and accountable for Low-Value Procurements and may authorize specific individuals within the Department to make Low-Value Procurements and may assign specific spending authority limits, in accordance with the individual's Financial Authority.

Town of Aurora Procurement Policy

If a Department anticipates making multiple Low-Value Procurements of the same Deliverables and the total value of those purchases may exceed the applicable Low-Value Purchase Threshold, the Department must contact Procurement Services to discuss the possibility of setting up a Standing Offer or Qualified Supplier Roster.

6.7.3 Mid-Value Procurement (Invitational Competition)

A Mid-Value Procurement uses an Invitational Competition, in which Bids are solicited from a minimum of three Suppliers, and is the standard method of Procurement when the Procurement Value is between the Low-Value Purchase Threshold and the Open Competition Threshold. For Mid-Value Procurements, the Department may acquire the Deliverables by submitting a Purchase Order requisition to be approved by the Manager or Department Head based on the individual's Financial Authority.

The Department Head is responsible and accountable for ensuring that the process is conducted in accordance with the Invitational Competition Protocol.

Open Competition may be conducted in lieu of a Mid-Value Procurement, where the Procurement Manager, in consultation with the Department, determines that it would be in the Town's best interest.

6.7.4 Open Competition

An Open Competition, in which Bids are solicited from all interested Suppliers through a publicly posted Solicitation Document, is the standard method of Procurement when the Procurement Value equals or exceeds the Open Competition Thresholds.

Open Competitions must also be used to establish Standing Offers.

Open Competitions may include two-stage Procurement processes in which a pre-qualification process is conducted by soliciting and evaluating submissions from all interested Suppliers in order to establish a short list of prequalified Suppliers that will be eligible to submit a Bid in response to a second-stage Solicitation Document. A two-stage Procurement process may be used whenever determined appropriate by the Procurement Manager.

Open Competitions will be managed by Procurement Services, with the co-operation and involvement of the Department, in accordance with the Open Competition Protocol.

6.8 Non-Standard Procurement

Non-Standard Procurement means the acquisition of Deliverables through a method other than the standard method for the type and value of the Deliverables, as set out above under Section 6.7.

Non-standard Procurement methods include:

Town of Aurora Procurement Policy

- a) acquiring Deliverables directly from a particular Supplier without conducting a Competitive Process when an Invitational Competition or an Open Competition would normally be required; and
- b) soliciting Bids from a limited number of Suppliers without conducting an open pre-qualification process when an Open Competition would normally be required.

The use of a Non-Standard Procurement process is permitted only under the specific circumstances set out in the Non-Standard Procurement Protocol and must be approved in accordance with the Non-Standard Procurement Protocol.

Under no circumstances will a Non-Standard Procurement be used for the purpose of avoiding competition among Suppliers or in a manner that discriminates against or advantages Suppliers based on geographic location.

6.9 Contract Award and Finalization

Contracts must be awarded in accordance with this policy and the applicable protocol(s) governing the Procurement process and must be authorized in accordance with the Authorization Schedule.

A Contract may be entered into through the execution of a legal agreement and/or the issuance of a Purchase Order evidencing the contract. The Contract must be entered into prior to the delivery or provision of the Deliverables. No work shall commence without a Purchase Order having been issued with sufficient funds available for the work.

The Procurement Manager has delegated authority to issue Purchase Orders on behalf of the Town. Agreements must be signed in accordance with the Authorization Schedule.

No Contract may be entered into, either through the issuance of a Purchase Order or the execution of an agreement, unless:

- a) approved funding in an amount sufficient to cover the Procurement Value is available;
- b) the Procurement process was conducted in accordance with this policy; and
- c) applicable protocols and all required authorizations have been obtained.

SECTION 7 – SUPPLIER RELATIONS AND CONTRACT MANAGEMENT

7.1 Debriefings

Where the Town has conducted an Open Competition, unsuccessful Suppliers may request a debriefing. Debriefings must be conducted in accordance with the Bidder Debriefing Protocol.

7.2 Procurement Protests

Suppliers may formally protest the outcome of a Procurement process. Procurement protests must be managed and responded to in accordance with the Procurement Protest Protocol.

7.3 Contract Management

All contracts for Deliverables must be managed by the Department in accordance with the Contract Management Protocol. Master Framework Agreements will be managed by Procurement Services in accordance with the Qualified Supplier Rosters Protocol.

7.4 Contract Extensions or Amendments

Contract extensions and amendments must not be used to expand a Contract beyond what was contemplated under the terms of the Contract and the original Procurement process or to circumvent the need to procure additional Deliverables through a Competitive Process in accordance with this policy.

If a Contract amendment results in a net increase to the Contract value previously approved, the amendment must be approved in accordance with the Contract Management Protocol and the Authorization Schedule.

7.5 Supplier Performance

The performance of a Supplier under Contract must be monitored and tracked in accordance with the Supplier Performance Evaluation Protocol.

7.6 Supplier Suspension

Suppliers can be suspended from participating in future Procurement processes in accordance with the Supplier Suspension Protocol.

SECTION 8 – PROCUREMENT RECORD-KEEPING

8.1 Supplier Information

The Town must ensure that Supplier information submitted in confidence in connection with a Procurement process or Contract is adequately protected. Procurement Services and the Departments must ensure that all Bids and Contracts are kept in a secure location and are only accessible by those individuals directly involved with the Procurement or management of the Contract.

8.2 Procurement Records

The maintenance, release, and management of all Procurement records must be in accordance with the Town's policies and procedures on document management and access to information and the *Municipal Freedom of Information and Protection of Privacy Act*.

Procurement Services is responsible for ensuring that all documentation relating to a Procurement is properly filed and maintained in a Procurement project file. Documentation and reports regarding Procurement processes and Contract awards (including Non-Standard Procurements) and data necessary to trace the process conducted electronically must be maintained as required under the Town's document management policies.

SECTION 9 – COMPLIANCE MONITORING AND REPORTING

9.1 Compliance Monitoring

Non-compliance with this policy may expose the Town to the risk of Supplier complaints, reputational damage, Bid disputes, legal challenges, and may compromise the integrity, fairness, openness, and transparency of the process.

Department Heads are required to observe and address non-compliance with this policy within their Departments. Where instances of non-compliance are identified, the Department Head is expected to notify the Procurement Manager and obtain advice; (a) with respect to mitigating potential risks to the Town arising from the non-compliance; and (b) to ensure future non-compliance is avoided.

The Procurement Manager is responsible for monitoring compliance across the organization. Based on the results of compliance monitoring, reports outlining instances of non-compliance will be issued by the Procurement Manager to the relevant Department Head. The Department Head must address the identified compliance concerns and submit a written confirmation of actions taken to the Procurement Manager. Ongoing concerns with respect to compliance will be subject to internal audit.

The Procurement Manager will address noncompliance in accordance with the procedures established under the Non-Compliance Reporting and Remediation Protocol.

9.2 Audit

All Procurement activities will be subject to audit by York Region Audit Services.

Town of Aurora Procurement Policy

9.3 Reporting

The Procurement Manager will prepare and submit to Council a quarterly report summarizing the Town's Procurement activities, including:

- (a) Non-standard Procurements; and
- (b) Procurements over \$250,000.

SECTION 10 – GREEN PROCUREMENT

10.1 Green Procurement

Town staff are responsible for ensuring that their procurements address the Town's green procurement objectives in a manner consistent with the Green Procurement Policy.

Town of Aurora Procurement Policy

SCHEDULE A – GLOSSARY OF TERMS

“Bid” means a submission in response to a Solicitation Document, and includes proposals, quotations, or responses.

“Bidder” means a Supplier that submits a Bid, and includes proponents and respondents.

“CAO” means the Chief Administrative Officer for the Town.

“Competitive Process” means the solicitation of Bids from multiple Suppliers.

“Contract” means a commitment by the Town for the Procurement of Deliverables from a Supplier, which may be evidenced by an agreement executed by the Supplier and the Town, or a Purchase Order issued by the Town to the Supplier.

“Contract Administrator” means an employee assigned to the management of a Contract.

“Council” means the elected Council of the Town.

“Deliverables” means any goods, services, or construction, or combination thereof.

“Department” means the department of the Town that is requisitioning the purchase of the Deliverables.

“Department Head” means a Director (or designate) of the Town who is responsible for a Department, and shall include the CAO with respect to his/her direct responsibilities for a Department.

“Department Lead” means the Department employee assigned primary responsibility for a Procurement.

“Division” means the division of the Town that is requisitioning the purchase of the Deliverables.

“Division Manager” means the Manager, or their designate, of the Town who is responsible for a Division.

“Financial Authority” refers to the Town’s financial authority registry which outlines the signing authority for individual Town employees.

“Invitational Competition” means a Competitive Process in which an invitation to submit Bids is issued to at least three Suppliers.

“Legal Services” means the Town’s legal advisors.

Town of Aurora Procurement Policy

“Low-Value Procurement” means any Procurement of Deliverables with a value below the Low-Value Purchase Threshold set out in Schedule C, except where the Procurement is made through an existing Standing Offer or Qualified Supplier Roster.

“Low-Value Purchase Threshold” means the maximum value for a Procurement of Deliverables that the Town may procure without proceeding with an Open Competition.

“Master Framework Agreement” means a master agreement entered into between the Town and the prequalified Suppliers that have been included on a Qualified Supplier Roster.

“Mid-Value Procurement” is an Invitational Competition where bids are sought from three suppliers.

“Non-Standard Procurement” means the acquisition of Deliverables through a process or method other than the standard method required for the type and value of the Deliverables. Non-standard Procurement methods include:

- a) acquiring Deliverables directly from a particular Supplier without conducting a Competitive Process when an Invitational Competition or an Open Competition would normally be required; and
- b) soliciting Bids from a limited number of Suppliers without conducting an open pre-qualification process when an Open Competition would normally be required.

“Open Competition” means the solicitation of Bids through a publicly posted Solicitation Document.

“Open Competition Threshold” means the minimum value for a Procurement that the Town must procure using an Open Competition.

“Open Framework Competition” means the Competitive Process used to establish a Qualified Supplier Roster and provide for an ongoing application process during the term of the Qualified Supplier Roster, as further described in the Qualified Supplier Rosters Protocol.

“Performance Evaluation Report” means a report evaluating a Supplier’s performance in accordance with the Supplier Performance Evaluation Protocol, and includes both Interim and Final Performance Evaluation Reports.

“Procurement” means the acquisition of Deliverables by purchase, rental, or lease.

“Procurement Governance Committee” (“PGC”) means the committee established by the Town under the Procurement Policy for the purposes of considering and making determinations on procurement-related matters, including determinations under the Procurement Protest Protocol, and the Supplier Suspension Protocol.

Town of Aurora Procurement Policy

“Procurement Manager” means the individual officer or employee who is responsible for Procurement Services.

“Procurement Plan” means the plan developed by a Department at the outset of an Invitational Competition or Open Competition in accordance with the Competitive Procurement Planning Protocol.

“Procurement Services” means the branch, department, division, or unit responsible for purchasing Deliverables for the Town.

“Procurement Value” means the maximum total value of the Deliverables being procured, and it must include all costs to the Town, including, as applicable, acquisition, maintenance, replacement, and disposal; training, delivery, and installation; and extension options, less applicable rebates or discounts and exclusive of sales taxes.

“Purchase Order” means the Town’s written document issued by a duly authorized employee of the Town to a Supplier formalizing all the terms and conditions of the purchase and supply of the Deliverables identified on the face of the Purchase Order.

“Purchasing Card” means a credit card provided by the Town to authorized officers and employees for use as a payment method to purchase directly from Suppliers where permitted under the Procurement Policy and in accordance with any cardholder agreement and applicable procedures.

“Qualified Supplier Roster” means a list of Suppliers that have participated in and successfully met the requirements of a Request for Pre-Qualifications (“RFPQ”) and have therefore been prequalified to perform individual work assignments involving the delivery of a particular type of Deliverable. The Suppliers that qualify for inclusion on the Qualified Supplier Roster will enter into a Master Framework Agreement and will be eligible to participate in Roster Competitions, as and when the goods or services are required.

“Request for Information” or **“RFI”** means a market research initiative for the collection of data for the purposes of future Procurement planning.

“Roster Competition” means an expedited, invitational competition between Suppliers that have been included on a Qualified Supplier Roster for the selection of a Supplier to perform a discrete work assignment during the term of the roster.

“Solicitation Document” means the document issued by the Town, or in the case of a piggyback Procurement by a government agency or public authority, to solicit Bids from Bidders.

“Standing Offer” means a written offer from a pre-approved Supplier to supply Deliverables to the Town, upon request, through the use of an ordering process during a particular period of time, at a predetermined price or discount, generally within a predefined dollar limit. The Standing Offer does not create a contractual commitment

Town of Aurora Procurement Policy

from either party for a defined volume of business. The commitment to purchase against a Standing Offer is formed at the time a specific order is placed through the issuance of a Purchase Order to the Supplier.

“Supplier” means a person carrying on the business of providing Deliverables.

“Total Cumulative Increase” means the total value of all increases to the original Procurement Value, including the value of all previously approved amendments and the value of the proposed amendment.

“Town” means The Corporation of the Town of Aurora.

SCHEDULE B – EXCLUSIONS

1. Excluded Acquisitions and Expenditures

- (a) This policy does not apply to Contracts, agreements or costs related for the sale, purchase, lease, or licence of land or existing buildings.
- (b) This policy does not apply to the acquisition of the following Deliverables:
 - i. services provided by licensed lawyers, notaries or forensic auditors;
 - ii. services of expert witnesses or factual witnesses used in court or legal proceedings, including tribunal matters;
 - iii. financial services including banking, merchant fees, brokerage, debt issuance, and investments;
 - iv. insurance premiums and services, including insurance adjusters, and replacement purchases made as a result of an insurance claim;
 - v. goods intended for resale to the public;
 - vi. goods purchased on a commodity market;
 - vii. works of art; and
 - viii. subscriptions to newspapers, magazines, or other periodicals.
- (c) This policy does not apply to Contracts or agreements relating to hiring of employees or employee compensation, or memberships or dues, or reimbursement of employee expenses, or employee training, including conferences, courses, and seminars.
- (d) This policy does not apply to goods or services procured from a government entity or non-profit organization. Note: This reason does not apply to procurements that are covered by the Canada-European Union Comprehensive Economic and Trade Agreement (the “CETA”).
- (e) This policy does not apply when it can be demonstrated that the goods or services can be supplied only by a particular Supplier and **no alternative or substitute exists** for the following reason(s):
 - i. there is an absence of competition for technical reasons;
 - ii. patents, copyrights, or other exclusive rights must be protected.
- (f) This policy does not apply when the Procurement is for:
 - i. goods or consulting services regarding matters of a confidential or privileged nature and the disclosure of those matters through an Open Competition could reasonably be expected to compromise government

Town of Aurora Procurement Policy

confidentiality, result in the waiver of privilege, cause economic disruption, or be contrary to the public interest;

- ii. a prototype or 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;
 - iii. goods available under exceptionally advantageous circumstances that arise only in the very short term, such as resale of used equipment, liquidation, bankruptcy, or receivership;
 - iv. a Contract to be awarded to the winner of a design contest and the contest was organized in a fair and transparent manner and was advertised by publicly posted notice and participants were judged by an independent jury;
 - v. The Procurement is being conducted on behalf of an entity that is not covered by the Procurement Policy.
- (g) This policy does not apply when unforeseeable events have resulted in a situation where extreme urgency exists and the goods or services could not be obtained in time through an Open Competition. Note: The Department Lead must clearly identify and explain the unforeseeable events that brought about the urgency. Failure to plan for and proceed with a Procurement in a timely manner will not be considered a valid reason for a Non-Standard Procurement.
- (h) This policy does not apply when the Procurement Value is below the Open Competition Threshold and it is in the best interests of the Town to proceed with a Non-Standard Procurement. Note: The Department Lead must clearly explain why it is in the Town's best interest to proceed with a Non-Standard Procurement rather than an Invitational Competition.
- (i) This policy does not apply when the Procurement is otherwise exempt from Open Competition requirements under all applicable trade agreements, and it is in the best interests of the Town to proceed with a Non-Standard Procurement. Note: The Department Lead must indicate the specific section(s) of the applicable trade agreements that provide for the exemption and clearly explain why it is in the Town's best interest to proceed with a Non-Standard Procurement rather than an Open Competition.
- (j) This policy does not apply to payment of the Town's general expenses, such as:
- i. Taxes including Harmonized Sales Tax (HST), remittance of property taxes and development charges to school boards and York Region
 - ii. Debt repayment and sinking fund contributions

Town of Aurora Procurement Policy

- iii. Costs related to employee training, development and recruitment in accordance with Town policies
- iv. Grants to agencies in accordance with Town policies
- v. Postage and courier services
- vi. Utility charges for consumption and acquisition of water, sewer, electricity, natural gas
- vii. Utility relocation and construction costs relating to a capital project
- viii. Town sponsored employee purchase programs
- ix. Employment agencies for temporary employment contracts
- x. Appraisal fees
- xi. Arbitrator, mediator and other similar professionals
- xii. Suppliers and entertainers for special events and programs
- xiii. Goods, services or construction where 100 percent of the total cost is funded by a third party

2. Approval and Payment of Excluded Acquisitions and Expenditures

The approval and payment of excluded items is to be completed in accordance with the Town's financial authority registry.

Town of Aurora Procurement Policy

SCHEDULE C – PROCUREMENT THRESHOLDS

Table 1 – Procurement Thresholds

Low-Value Procurements	Below \$25,000
Mid-Value Procurements (Invitational Competition)	\$25,000 to less than \$50,000
Open Competition	\$50,000 and over

Town of Aurora Procurement Policy

SCHEDULE D – THRESHOLD AND AUTHORIZATION SCHEDULE

1. STANDARD PROCUREMENT

Table 1 – Table of Authority

Procurement Method and Threshold	Authorized to Initiate Procurement	Delegated Authority to Award*	Contract Requirement
Order from Existing Standing Offer	Department Head	Division Manager	Use existing contract from standing offer if available Contract approved based on Financial Authority
Roster Competition Less than \$50,000	Department Head	Division Manager	Use existing contract from roster if available Contract approved based on Financial Authority
Roster Competition \$50,000 and over	Department Head	Division Manager and Procurement Manager	Use existing contract from roster if available Contract approved based on Financial Authority
Low-Value Procurement Below \$25,000	Department Head or designate	Division Manager	None required
Mid-Value Procurement (Invitational Competition) \$25,000 to <\$50,000	Department Head	Division Manager	Required only for construction contracts over \$25,000 in a form approved by Legal Services Contract approved based on Financial Authority
Open Competition < \$1M	Department Head	Division Manager and Procurement Manager	Required for all procurements in a form approved by Legal Services

Town of Aurora Procurement Policy

Procurement Method and Threshold	Authorized to Initiate Procurement	Delegated Authority to Award*	Contract Requirement
			Contract approved based on Financial Authority
Open Competition ≥ \$1M	Department Head	Division Manager and Procurement Manager	Required for all procurements in a form approved by Legal Services Contract approved by the CAO

* The Ability to award is contingent on the individual having the Financial Authority to do so.

1. Authorization Process

- a) The Department Lead completes the Procurement Authorization Form and submits it to the Department Head.
- b) The Department Head reviews and approves the Procurement Authorization Form.
- c) If a Contract is required and less than \$1 million dollars, then it must be in a form approved by Legal Services and signed by an individual in the Department with the appropriate Financial Authority. If the contract required is equal to or greater than \$1 million dollars, then the Contract must be in a form approved by Legal Services and approved by the CAO.
- d) No Procurement may be authorized unless sufficient funding is available in an approved budget, unless authorized by Council.

2. Delegated Authority to Procure

The delegation of authority to procure includes the authority to:

- a) conduct the Procurement process in accordance with this policy and applicable protocols;
- b) approve the Procurement document(s) for a Competitive Process;
- c) approve the selection of qualified Bidders in a multi-stage Open Competition;
- d) approve the establishment of qualified Supplier rosters in an Open Framework Competition; and

Town of Aurora Procurement Policy

e) approve the award of the Contract.

3. Conditions of Delegated Authority to Procure

Delegated authority to procure is subject to the following conditions:

- a) No Procurement may be initiated unless approved budget funding in an amount sufficient to cover the Procurement Value is available.
- b) In the case of a multi-stage Open Competition or an Open Framework Competition, qualified Bidders are selected in accordance with the evaluation and selection process set out in the Solicitation Document.
- c) No Contract award may be approved unless:
 - i. sufficient funding is available in an approved budget;
 - ii. the Procurement process was conducted through the standard Procurement method, as determined in accordance with this policy;
 - iii. the Procurement process was conducted in accordance with this policy and all applicable protocols; and
 - iv. in the case of a Competitive Process, the Contract is awarded to the top-ranked Bidder, as determined in accordance with the evaluation and selection process set out in the Solicitation Document.

Where the authority to procure is delegated to multiple individuals, all those individuals must be satisfied that the above conditions of delegated authority are met.

4. Council Authority

If any of the applicable conditions of delegated authority are not met, Council approval must be obtained before proceeding with any Procurement activity.

B. NON-STANDARD PROCUREMENT

Table 2 – Table of Authority

Procurement Value	Authorize Procurement	Delegated Authority to Procure
< Open Competition Threshold	Department Head	Department Lead
☒ Open Competition Threshold < \$250K	CAO	Department Head
☒ \$250K	Council	Department Head

Town of Aurora Procurement Policy

1. Authorization Process

- a) The Department Lead completes the Non-Standard Procurement Authorization Form and submits it to the Department Head.
- b) The Department Head reviews and approves the Non-Standard Procurement Authorization Form.
- c) If the Procurement Value is less than the applicable Open Competition Threshold, the Department Head may authorize the Procurement and delegate the authority to procure to the Department Lead.
- d) If the Procurement Value is equal to or greater than the applicable Open Competition Threshold, the Department Head submits the Non-Standard Procurement Authorization Form to Procurement Services. Procurement Services reviews and addresses any concerns with the Department Head.
- e) If the Procurement Value is less than \$250,000, the CAO may authorize the Procurement and delegate the authority to procure to the Department Head.
- f) If the Procurement Value is equal to or greater than \$250,000, the Department Head submits a report to Council for authority to proceed with the procurement. Council may authorize the Procurement and delegate the authority to procure to the Department Head.
- g) No Procurement may be authorized unless sufficient funding is available in an approved budget, unless authorized by Council.

2. Delegated Authority to Procure

In the case of a Non-Standard Procurement, the delegation of authority to procure includes the authority to negotiate and finalize the Contract with the selected Supplier.

Contract requirements follow the same thresholds as standard Procurements. No Contract may be finalized unless sufficient funding is available in an approved budget and is approved by Legal Services.

C. CONTRACT ISSUANCE OR EXECUTION

1. Authorized Signatories

The Procurement Manager has delegated authority to issue Purchase Orders on behalf of the Town.

The following individuals have delegated authority to execute legal agreements on behalf of the Town:

Table 3 – Authorized Signatories

Procurement Value	Authorized Signatory
< \$1M	Department Head or delegate, in accordance with Financial Authority
≥ \$1M	CAO

Note: All contracts shall be reviewed by Legal Services prior to signing.

2. Review and Execution Process

- a) In accordance with the delegated authority to procure, the authorized individual(s):
 - i. approves the award of the Contract;
 - ii. confirms all pre-conditions of award are met; and
 - iii. assembles all Contract documents and provides the Contract documents to Legal Services for review.
- b) If an agreement is to be signed, Legal Services reviews and approves the agreement for signature and sends the agreement to the Authorized Signatory.
- c) The agreement is signed by the Authorized Signatory.

3. Pre-Approval of Standard Term Contracts

Legal Services may approve standard term Contract documents, including Purchase Order terms, standard forms of agreement, and supplementary terms and conditions for use in specified circumstances and subject to established conditions.

D. CONTRACT AMENDMENTS

Table 4 – Table of Authority if Total Cumulative Increase is Less Than 20% of Original Procurement Value

Total Cumulative Increase	Authorize Amendment
< \$50,000	Department Head
<input checked="" type="checkbox"/> \$50,000	CAO

Table 5 – Table of Authority if Total Cumulative Increase is Equal to or More Than 20% of Original Procurement Value

Total Cumulative Increase	Authorize Amendment
< \$250,000	Chief Administrative Officer
<input checked="" type="checkbox"/> \$250,000	Council

Total Cumulative Increase means the total value of all increases to the original Procurement Value, including the value of all previously approved amendments and the value of the proposed amendment.

1. Authorization Process

- a) The Contract Administrator completes the Contract Amendment Authorization Form.
- b) If the Procurement Value is less than the applicable Open Competition Threshold, the Contract Administrator obtains the appropriate authority based on the above tables. If the amendment must be authorized by the Department Head or CAO, the Contract Amendment Authorization Form must first be approved by the Department Head when CAO approval is required.
- c) If the Total Cumulative Increase is equal to or greater than the applicable Open Competition Threshold, the Contract amendment must be treated as a Non-Standard Procurement and the Contract Amendment Authorization Form must be reviewed by the. The reviews and addresses any concerns with the Department Head. Once any concerns have been resolved or noted on the Contract Amendment Authorization Form, the Form shall be submitted to the CAO based on Table 4 above and if the increase is more than 20% of the original value, the Department Head shall seek approval from Council in a report in accordance with the authority in table 5 above.
- d) No Contract amendment may be authorized unless sufficient funding is available in an approved budget, unless authorized by Council.

SCHEDULE E – SUPPLIER CODE OF CONDUCT

The Town requires its Suppliers to act with integrity and conduct business in an ethical manner. The Town may refuse to do business with any Supplier that has engaged in illegal or unethical bidding practices, has an actual or potential conflict of interest or an unfair advantage, or fails to adhere to ethical business practices.

Suppliers are responsible for ensuring that any employees, representatives, agents, or subcontractors acting on their behalf conduct themselves in accordance with this Supplier Code of Conduct. The Town may require the immediate removal and replacement of any individual or entity acting on behalf of a Supplier that conducts themselves in a manner inconsistent with this Supplier Code of Conduct. The Town may refuse to do business with any Supplier that is unwilling or unable to comply with such requirement.

A. ILLEGAL OR UNETHICAL BIDDING PRACTICES

Illegal or unethical bidding practices include:

- a) bid-rigging, price-fixing, bribery or collusion, or other behaviours or practices prohibited by federal or provincial statutes;
- b) offering gifts or favours to the Town's officers, employees, appointed or elected officials, or any other representative of the Town;
- c) engaging in any prohibited communications during a Procurement process;
- d) submitting inaccurate or misleading information in a Procurement process; and
- e) engaging in any other activity that compromises the Town's ability to run a fair Procurement process.

The Town will report any suspected cases of collusion, bid-rigging, or other offences under the *Competition Act* to the Competition Bureau or to other relevant authorities.

B. CONFLICTS OF INTEREST

All Suppliers participating in a Procurement process must declare any perceived, possible, or actual conflicts of interest.

The term "conflict of interest," when applied to Suppliers, includes any situation or circumstance where:

- a) in the context of a Procurement process, the Supplier has an unfair advantage or engages in conduct, directly or indirectly, that may give it an unfair advantage, including but not limited to:

Town of Aurora Procurement Policy

- i. having, or having access to, confidential information of the Town that is not available to other Suppliers;
 - ii. having been involved in the development of the Procurement document, including having provided advice or assistance in the development of the Procurement document;
 - iii. receiving advice or assistance in the preparation of its response from any individual or entity that was involved in the development of the Procurement document;
 - iv. communicating with any person with a view to influencing preferred treatment in the Procurement process (including but not limited to the lobbying of decision-makers involved in the Procurement process); or
 - v. engaging in conduct that compromises, or could be seen to compromise, the integrity of an open and competitive Procurement process or render that process non-competitive or unfair; or
- b) in the context of performance under a potential Contract, the Supplier's other commitments, relationships, or financial interests:
- i. could, or could be seen to, exercise an improper influence over the objective, unbiased, and impartial exercise of its independent judgment; or
 - ii. could, or could be seen to, compromise, impair, or be incompatible with the effective performance of its contractual obligations.

Where a Supplier is retained to participate in the development of a Solicitation Document or the specifications for inclusion in a Solicitation Document, that Supplier will not be allowed to respond, directly or indirectly, to that Solicitation Document.

C. ETHICAL BUSINESS PRACTICES

In providing Deliverables to the Town, Suppliers are expected to adhere to ethical business practices, including:

- a) performing all Contracts in a professional and competent manner and in accordance with the terms and conditions of the Contract and the duty of honest performance;
- b) complying with all applicable laws, including safety and labour codes (both domestic and international as may be applicable); and
- c) providing workplaces that are free from harassment and discrimination.