



## **Governance & Risk Committee Meeting**

Conservation Halton

Zoom:

<https://us02web.zoom.us/j/82540995026?pwd=d0JBOVpZZIRibzZlejRQVXpyVUNJdz09>

Apr 11, 2023 11:00 AM - 12:00 PM EDT

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## **GOVERNANCE & RISK COMMITTEE PROCEDURE FOR ELECTION OF OFFICERS**

### **Chairman for Election of Officers**

An individual (CEO, Hassaan Basit) other than a Member of the Governance & Risk Committee will assume the position of Chair for the purpose of Election of Officers. A Staff member could hold this position.

### **Appointment of Scrutineers**

The appointment of scrutineers is required for the purpose of counting ballots should an election be required. All ballots will be destroyed by the scrutineers afterwards. The appointment of scrutineers requires a mover and seconder by the Governance & Risk Committee.

### **Election of Officers**

Only current members of the Governance & Risk Committee may vote.

Nominations will be called three (3) times and will only require a mover. The closing of nominations will require both a mover and a seconder.

In the event of an election, each nominee will be permitted not more than five (5) minutes to speak for the office, in the order of the alphabetical listing of his or her surnames.

Upon the acceptance by all nominees for the position of office, ballots will be distributed to the Members for the purpose of election. A Member's choice for a nominee will be written on the ballot and the appointed scrutineers for the counting of the ballots will collect the ballots.

**A majority vote will be required for election.** If there are more than two nominees, and upon the first vote no nominee receives the majority required for election, the name of the person with the least number of votes will be removed from further consideration for the office and new ballots will be distributed. In the case of a vote where no nominee receives the majority required for election and where two or more nominees are tied with the least number of votes, a special vote shall be taken to decide which one of such tied nominees' names shall be dropped from the list of names to be voted on in the next vote.

Should there be a tie vote between two remaining candidates, new ballots will be distributed, and a second vote held. Should there still be a tie after the second ballot a third vote shall be held. Should there be a tie after the third vote, the election of the office shall be decided by lot drawn by the Chief Executive Officer.



## **Governance and Risk Committee**

### **Purpose:**

The purpose of the Governance and Risk Committee is to advise the Conservation Halton (CH) Board on the appropriate policies and by-laws in the areas of governance of the Board. The committee will ensure that management has in place policies, procedures, and processes to manage risks to which CH is exposed, including compliance with applicable laws and regulations.

### **Mandate:**

The Governance and Risk Committee will operate in accordance with the approved Terms of Reference and provide recommendations to the Board of CH.

1. To recommend and regularly review, on an annual basis, guiding principles, policies and by-laws related to CH Board and Committees and any amendments thereto.
2. To approve the Finance and Audit Committee and the Compensation Committee Terms of Reference.
3. To assist the Board in fulfilling its oversight responsibilities with regard to the risk appetite and risk tolerance of the organization, the risk management framework and the governance structure that supports it. Information related to risk will be received by the Board through various reporting processes depending on the area of risk which include but are not limited to:
  - Legal risk
  - Operational risk, including personal injury
  - Reputation risk
  - Strategic risk
  - Financial risk
4. To establish and conduct a Board of Directors evaluation process on an annual basis.
5. To fulfill any other duties as assigned by the Board of CH.

### **Frequency of Meetings:**

The committee will meet 2 times annually or as requested by the President & CEO/Secretary-Treasurer or delegate. Dates will be determined based on need.

**Staff Support:**

The President & CEO/Secretary-Treasurer and the Chief Operating Officer will act as advisors and resources to the Committee, accountable for all records and documentation and ensuring consistency and compliance with Conservation Halton's and Board policies and procedures.

**Membership:**

6 members of the Board and the Chair of the Board as ex-officio.

**Purpose:****Term of Appointments:**

Election of Officers to the CH Governance & Risk Committee will take place every 4 years to align with the Municipal Election and Appointment of Membership to the CH Board as per the CH By-law No. 2018-01 (Revised November 17, 2022).

**REPORT TO:** Governance & Risk Committee

**REPORT NO: #** GC 01 23 01

**FROM:** Mark Vytvytskyy, Chief Operating Officer

**DATE:** April 11, 2023

**SUBJECT:** Purchasing Policy – Revision to Reporting Requirements & Approval Authority

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### Recommendation

THAT the Governance & Risk Committee **recommends to the Conservation Halton Board the approval of the Conservation Halton Purchasing Policy changes to the reporting requirements and approval authority;**

And

THAT the Governance & Risk Committee **recommends to the Conservation Halton Board that the Purchasing Policy changes in the staff report entitled “Purchasing Policy – Revision to Reporting Requirements & Approval Authority” be reflected under Appendix 5: President & CEO/Secretary-Treasurer Management Authority Limits Policy of the Halton Region Conservation Authority General Membership By-Law 2018-01 (rev. Nov. 17, 2022).**

### Report

Staff are recommending that the Conservation Halton (CH) Purchasing Policy be revised and updated consistent with other Halton Cooperative Purchasing Group (HCPG) agency by-laws. The HCPG is made up of the municipalities and other participating publicly funded agencies within Halton Region. The Purchasing Policy is reviewed regularly and updated as required. Changes to the reporting requirements and approval authority in the Purchasing Policy were last approved by the CH Board in November 2021.

The proposed changes to the Purchasing Policy are summarized in the chart below and will be brought to the CH Board for approval at the meeting scheduled for April 20, 2023. The Purchasing Policy with the proposed changes is also attached as Appendix A.

**Material Changes / Updates:**

<b>Section</b>	<b>Description of Change</b>
<b><u>Section 2.3.2 a)</u></b> Procurement Process for Purchases of \$50,000 or More	Revision: To increase the delegated CH procurement spend authority for Request for Proposal (RFP) and Request for Tender (RFT) activity to \$500K (from \$100K and \$350K respectively). This requested change also aligns RFP and RFT spend authority limits.
<b><u>Section 2.3.2 b)</u></b> Request for Proposals and Tenders of 500K and over	Revision: To increase the CH Board approval requirement to \$500K and over for all Request for Proposal and Tender procurement activity.
<b>* <u>Added - Section 2.3.2 d)</u></b> Awards during extended Board breaks	<p><b>2.3.2 d) Awards during extended Board meeting breaks</b></p> <p>Despite section 2.3.2 b) of the CH Purchasing Policy, the CEO (or delegate of COO or Director, Finance) may proceed with contract award where the value exceeds \$500,000 when a Board meeting break occurs for greater than 25 days (excluding weekends and statutory holidays), provided the following conditions are met;</p> <ol style="list-style-type: none"> <li>1) A competitive procurement has been completed</li> <li>2) The recommended award is compliant in accordance with the procurement process in the CH Purchasing Policy. The award will be reported in the Purchasing Activity Memo.</li> <li>3) The CH portion of the award value is within the approved budget amount or additional funding has been confirmed through a grant agreement completed after budget approval. Budget increases beyond the original budget associated with new grant funding agreements will be recommended for approval through the Budget Variance Report.</li> </ol>

The Proposed changes to **Appendix 5: President & CEO/Secretary-Treasurer Management Authority Limits Policy** of the Halton Region Conservation Authority General Membership By-law No. 2018-01 (rev. Nov. 21, 2022) are noted and attached in Appendix B.


**Impact on Strategic Priorities**

This report supports the Momentum priority of Organizational Sustainability utilizing an integrated approach to risk, governance and compliance to ensure alignment of operations with enterprise business objectives.

**Financial Impact**

There is no financial impact to this report.

Signed & respectfully submitted:



Mark Vytvytskyy  
Chief Operating Officer

Approved for circulation:



Hassaan Basit  
President & CEO/Secretary-Treasurer

**FOR QUESTIONS ON CONTENT:**

Pavan Seth, Procurement Manager  
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**Appendix A**



**PURCHASING POLICY**



CONSERVATION HALTON  
PURCHASING POLICY

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# CONSERVATION HALTON PURCHASING POLICY

## **Purpose of the Purchasing Policy**

The purpose of the purchasing policy is to provide the necessary policies and procedures to procure the required quantity and quality of goods and services while obtaining the best value for public funds. The Purchasing Policy supports the procurement of goods and services approved and funded through the annual budget process.

The purchasing policy will protect the integrity of Conservation Halton and the participants in the procurement process. An understanding of the risks of competitive procurement will also serve to safeguard the interests of Conservation Halton.

## **Section 1 - Goals and Objectives**

The goals and objectives of the purchasing policy are to:

### **a) Ensure efficiency**

Goods and services will be procured by purchase, rental, or lease in an efficient and cost-effective manner;

### **b) Ensure an open, objective and competitive process**

An open competitive bidding process for the acquisition and disposal of goods and services where practicable will be encouraged. The annual aggregate value or the total project cost of specific goods and services that will be required by Conservation Halton will be considered prior to determining the appropriate acquisition method.

### **c) Ensure all costs are considered – (TCO) Total Cost of Ownership**

All costs will be considered, including acquisition, operating and disposal costs, in evaluating bid submissions from qualified, responsive and responsible vendors, rather than basing a decision solely on the lowest bid price;

### **d) Ensure fairness & transparency**

The procurement process will be fair and transparent so that any given bidder does not receive an unfair advantage or disadvantage. The policy will comply with Canada-European Union Comprehensive Economic and Trade Agreement (CETA) and the Canadian Free Trade Agreement (CFTA);

### **e) Ensure the environment is considered**

Necessary goods and services will be procured with regard to the conservation and preservation of the natural environment. Vendors will be encouraged to supply goods made by a method resulting in the least damage to the environment and incorporating recycled materials where applicable.

### **f) Ensure sustainability is considered**

The purchase of sustainable products and services will be considered at all times. These products and services are defined as those having a lesser or reduced effect on human health and the environment when compared to other products and services that serve the same purpose. Specifications will include,

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unless otherwise justified, sustainable products that: use recycled materials; are durable, reusable or are designed to be recycled; consume fewer resources in their manufacture and/or their use; and services that use sustainable responsible practices.

### **g) Ensure health and safety**

Health and safety in the workplace will be considered to prevent accidents, injuries and occupational illness.

### **h) Ensure Conservations Halton's Core Values are maintained**

- Diversity & Inclusion
- Learning & Innovation
- Person-Centered Service
- Collaboration
- Sustainability
- Integrity
- Resilience

## **Section 2: Procurement Process**

### **2.1 Authority and Responsibilities**

The Procurement Manager will oversee the procurement processes in accordance with the requirements of these policies and procedures. All designated procurement authorized staff, involved in procurement activity will follow the purchasing limits and authorization process outlined in purchasing policy section 2.8 that includes the following:

- a) The acquisition of goods and services including the purchase of capital assets and the leasing or rental of such goods and services;
- b) The disposal of goods, equipment, supplies, materials and salvage which has been declared surplus;
- c) The development of cooperative purchasing plans with other levels of government and other local agencies, where deemed beneficial to Conservation Halton;
- d) The standardization of goods and services wherever possible;
- e) The issuing, opening, and reviewing formal bids as defined in section 2.3.2. Formal bid documents will be reviewed prior to issuance to ensure appropriate terms and conditions and special provisions, such as a schedule for completion of services and a request to provide satisfactory references as required, have been included.
- f) Certificates of insurance must be approved by the Procurement Manager prior to start of work.

### **2.2 Electronic Bidding**

Electronic bidding by issuing bids and / or receiving bids through a bidding system over the internet is acceptable for use in informal and formal bids. Formal bids are received electronically through the

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purchasing software bidsandtenders™. Formal bids received electronically are not released by the purchasing software until the predetermined opening time. A bid is determined to be late when the electronic time stamp through bidsandtenders™ exceeds the corresponding solicitation dictated closing time.

A bidder may withdraw their formal bid prior to the closing time. Withdrawal requests shall be completed by the vendor electronically through bidsandtenders™. The withdrawal of the bid does not disqualify a bidder from submitting another proposal on the same bid call prior to the closing time. Withdrawal requests received after the closing time shall not be considered.

Bidder questions for formal bids should be submitted electronically online through the electronic purchasing system by the bidder. The questions submitted and the respective answers will be issued within the designated period of time, in the form of an addendum and posted on the conservationhalton.bidsandtenders.ca website for all potential bidders at least two (2) days prior to closing. Any questions and answers occurring during bidders' meetings, site visits or information sessions shall be treated in the same manner as outlined above.

Where it is deemed necessary by Conservation Halton to revise the bid documents, an automatic electronic notification will be issued to all registered bidders that a new addendum has been issued. The onus is on the bidder to ensure that the bidder is in receipt of all addenda prior to the bid closing.

Once a decision to award a vendor has been made, all information received, such as references and evaluation forms used will be submitted to the Procurement Manager for retention and audit purposes.

### **2.3 Purchasing Limits and Authorization**

The following purchasing limits will apply to the procurement of goods and services at Conservation Halton. Procurement authorized staff who may be involved in CH procurements are listed in Section 3. Procurement authorized staff may choose to delegate authority to other staff not listed but assume all responsibility for directives within this policy. Items, where these limits do not apply, are identified in Section 4, where the total cost of the purchase does not exceed the amount approved in the annual budget and the purchase is in compliance with the authorization provisions of this policy.

The dollar amounts referred to in the purchasing policy will be the total cost of all individual items purchased, excluding taxes and freight. For leased goods, the purchasing limits will apply to the total amount being financed.

#### **2.3.1 Procurement Process for Purchases \$10,000.00 to less than \$50,000.00**

##### **a) Purchases of \$10,000.00 to \$24,999.99**

- \* A minimum of three written quotations are to be obtained from suppliers.
- \* Standard procurement templates will be used to ensure all terms and conditions for the purchase are included.
- \* If at least three written quotes are not obtained, the reasons must be documented, reviewed by the Procurement Manager, or designate and retained on file for audit purposes.
- \* If the lowest compliant bidder is not being recommended for award, the rationale for the recommendation must be documented in a Purchasing Policy Exception Report and approved by the Procurement Manager.
- \* A purchase order requisition will be completed by procurement authorized staff, with applicable documentation attached to the purchase order requisition, and submitted to finance to prepare

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a purchase order. The purchase order must be completed before the start of work as finance staff are unable to process invoices for payment without an approved purchase order.

- \* Approval of the program director is required.

### **b) Purchases of \$25,000.00 to \$49,999.99**

- \* A minimum of three written quotations are to be obtained from suppliers.
- \* Standard procurement templates including terms and conditions are to be included in the request for written quotations.
- \* It is preferred that bids be obtained for purchases within this range by posting publicly on bidsandtenders™ websites to ensure a fair and competitive process.
- \* If at least three written quotes are not obtained, the reasons must be documented and provided to the Procurement Manager. If the lowest compliant bidder is not being recommended for award, the rationale for the recommendation must be documented in a Purchasing Policy Exception Report and approved by the Procurement Manager.
- \* A purchase order requisition is to be completed by Procurement authorized staff, with all documentation attached to the purchase order requisition, and submitted to finance to prepare a purchase order. The purchase order must be completed before the start of work as finance staff are unable to process invoices for payment without a prior approved purchase order; Approval of (a) program director, (b) Director, Finance or President & CEO or COO is required on the above noted purchase order requisition.

Where a purchase order is not completed prior to the receipt of an invoice, finance staff are to return the invoice to the supplier and advise the supplier of the unauthorized purchase. Finance staff do not have the authority to process payment for invoices for which an approved purchase order does not exist. Staff who make purchases without an authorized purchase order may be held personally liable for those unauthorized purchases.

### **2.3.2 Procurement Process for Purchases of \$50,000 or More**

#### **a) Requests for Proposals and Tenders \$50,000.00 to \$499,999.99**

- \* Goods and services exceeding \$50,000.00 are to be obtained by a formal publicly advertised bid process. The invitation for formal requests for proposals, tenders and prequalifications will be posted on the Conservation Halton and bidsandtenders™ website at conservationhalton.bidsandtenders.ca. When the bid is subject to the Canada Free Trade Agreement (CFTA) the bid will be posted for a minimum of fifteen (15) calendar days. The posting will include the project title, brief description of the goods or services being acquired, timing of submission, website where the bid is posted and contact person.
- \* Individual business units along with the Procurement Manager are responsible for preparation of the formal bid documents, including detailed specifications.
- \* Procurement Manager and / or legal review of the formal bid document is required prior to issuing the bid document.
- \* If utilizing hard copy solicitations, instructions are to be provided to reception staff for the receipt and distribution of formal hard copy bids.
- \* Approval of (a) program director, (b) Procurement Manager and (c) President & CEO or Director, Finance or COO are required for the selection of the successful bidder.
- \* The reasons for accepting other than the lowest compliant or highest overall scoring submission must be documented in a Purchasing Policy Exception Report and approved by the Board
- \* A Memorandum of Purchase Approval (MPA) document will be required to provide historical detail of the procurement process and secure the necessary approvals prior to commitment.
- \* A purchase order requisition is to be completed by procurement authorized staff, with the approved MPA report and summary of formal bids attached to the purchase order requisition and submitted to finance to prepare a purchase order. The purchase order must be completed

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before start of work as finance staff are unable to process invoices for payment without a prior approved purchase order;

### **b) Request for Proposals and Tenders of \$500,000 and over**

When a bid is subject to the Canada Free Trade Agreement (CFTA) and Canada-European Union Comprehensive Economic and Trade Agreement (CETA) the bid will be posted for a minimum of forty (40) calendar days in accordance with CETA regulations. The posting will include the project title, brief description of the goods or services being acquired, timing of submission, website where the bid is posted and contact person.

\*In addition to the approval requirements outlined in 2.3.2 a), the award must be approved by the Conservation Halton Board  
The same conditions and limits outlined above for goods and services will be applied to revenue generating contracts.

### **c) Awards during extended Board breaks**

Despite section 2.3.2 b) of the CH Purchasing Policy, the CEO (or delegate of COO or Director, Finance) may proceed with contract award where the value exceeds \$500,000 when a Board meeting break occurs for greater than 25 days (excluding weekends and statutory holidays), provided the following conditions are met;

- 1) A competitive procurement has been completed
- 2) The recommended award is compliant in accordance with the procurement process in the CH Purchasing Policy. The award will be reported in the Purchasing Activity Memo.
- 3) The CH portion of the award value is within the approved budget amount or additional funding has been confirmed through a grant agreement completed after budget approval. Budget increases beyond the original budget associated with new grant funding agreements will be recommended for approval through the Budget Variance Report.

## **2.4 Bid Requests Containing Irregularities**

Each bid received in response to a bid request will be reviewed to determine whether a bid irregularity exists. Section 5 establishes the actions to be taken if an irregularity exists.

## **2.5 Purchase Order Change Requests**

In accordance with finance policy, if additional funding is required that exceeds the original award amount including contingency following the approval of a purchase order then approval from the appropriate authority for the requested **cumulative value** including the Director, Finance is required. If funding increase approval is required within a pre-approved contingency amount, standard approval authority will be required for the increased amount. If funds are to be reallocated from another project or exceed \$25,000.00 CDN, the President & CEO approval is required. If additional funds are not available in the approved budget, approval of the Board is required.

## **2.6 Emergency Purchases**

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Goods and services required to address an emergency where the purchase is essential to prevent loss of life, potential loss in business, damage to property, or for the continuation of a program or service that is essential to the wellbeing of Conservation Halton shall be acquired by the most open market procedure and the lowest overall cost possible.

An Emergency Purchase template, prepared by procurement authorized staff via the Procurement Manager, must be submitted to the President & CEO and the respective program director for approval for emergency goods and services with a purchase cost greater than \$25,000 after the resolution of the emergency situation. The Director, Finance must be notified and will report these emergency purchases in the quarterly Budget Variance Report to the Conservation Halton Board. A separate Emergency Purchase memo will be prepared and provided to the Board for visibility. For costs between \$10,000 - \$24,999, the Emergency Purchase template will be submitted to the Procurement Manager for review and approval.

### **2.7 Cooperative Purchasing**

Conservation Halton shall encourage and participate in cooperative purchasing with other levels of government or other public agencies whenever the best interests of all participants would be served. As a participant, Conservation Halton shall award contracts to the vendors approved by the issuing agency, selected through a competitive bid process, including the Halton Cooperative Purchasing Group (HCPG) and Province of Ontario Vendor of Record (VOR) program. Purchases made through co-operative buying procedures will follow all approvals and reporting as outlined in this policy.

### **2.8 Negotiation, inclusive of Sole and Single Source**

Purchase by negotiation may be adopted when any of the following conditions apply. Approvals, as noted in the Reporting Requirements and Approvals table in Section 2.8, are required to proceed with the purchase order:

- a) when in the judgment of procurement authorized staff, goods are judged to be in short supply due to market conditions and the purchase is critical to the timely completion of work;
- b) there is only one known source of the goods or service (sole source);
- c) two or more identical low bids have been received;
- d) the lowest bid substantially exceeds the estimated costs of the goods and services and it is impractical to re-bid;
- e) all bids received fail to comply with the specifications, tender terms and conditions and it is impractical to recall tenders;
- f) the extension of the existing contract would prove more cost-effective or beneficial;
- g) a single source is recommended because it is more cost-effective or beneficial to ensure compatibility with an existing product, facility, or service;
- h) when no bids are received;
- i) when only one bid is received in a bid call;

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- j) when work is required at a location where a contractor has already been secured through a bid process, with established unit prices and it is considered to be beneficial and cost effective to extend the unit prices for the work to be completed;
- k) after the request for proposal process, it may be necessary for discussion and revision of the proposal.

Award of a single or sole source (non-competitive) contract may not be made before a request/report has been reviewed and approved by the Program Director and Procurement Manager for purchases between \$10,000 - \$24,999. The report must provide sufficient justification to support a single/sole source award.

When the award amount is between \$25,000 - \$99,999, approval by the President & CEO or Director, Finance or COO and the Procurement Manager is required. Single or Sole Source recommendations that exceed \$100,000 require Board Approval.

### 2.9 Reporting Requirements and Approvals

The following summary outlines the purchasing process, reporting and approvals required according to procurement values, excluding taxes and shipping:

Procedure	Procurement Value	Process, Approvals and Reporting Requirements
Competitive quotations not required	< \$10,000	Open procurement by procurement authorized staff.
Informal Quotation	\$10,000 - <\$25,000	Three written quotes solicited by procurement authorized staff. Procurement Manager available to support. Approval by program Director is required.
Formal Quotation	\$25,000 - <\$50,000	Three written quotes solicited using formal quotation process administered by the Procurement Manager. Approval by the President & CEO, COO or Director, Finance.
Formal Request for Proposals & Tenders	\$25,000 - <\$50,000	Proposals with at least three bids solicited using standard template forms administered by the Procurement Manager. Approval by the President & CEO, COO or Director, Finance.
	\$50,000 - <\$499,999.99	Formal publicly advertised procurement process administered by the Procurement Manager. Approval by the President & CEO, COO or Director, Finance.
	\$500,000 & over	As above and approval by Board



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Other than lowest compliant bid or exceeds budget	>\$50,000	Approval by Board
Non-competitive or negotiated bid – Sole, Single Source	>\$10,000-<\$25,000	Approval by program Director and Procurement Manager.
Non-competitive or negotiated bid – Sole, Single Source	>\$25,000-<\$100,000	Approval by program Director, Procurement Manager, and the President & CEO, COO or Director, Finance Information report provided to the Board.
	>\$100,000	Process as above and approval by Board
Emergency Purchases	>\$10,000-<\$25,000	Approval by program director and Procurement Manager
	>\$25,000	Approval by program director, Procurement Manager, and the President & CEO. Information report to Board after resolution of the emergency situation.

### 2.10 Disposal of Surplus Goods

The President & CEO or designate shall have the authority to sell, exchange or otherwise dispose of goods declared as surplus to the needs of Conservation Halton, with the exception of real property, and where it is cost effective and in the interest of Conservation Halton to do so, items or groups of items may:

- a) be offered to other public agencies;
- b) be sold by external advertisement, formal request, auction or public sale;
- c) be advertised internally to employees for sale and sealed bids will be received with award to the highest bidder;

Obsolete or surplus goods may be sold or traded to the original supplier or others in that line of business where it is determined that a higher net return will be obtained.

A reserve price may be established where it is deemed appropriate.

In the event that all efforts to dispose of goods by sale are unsuccessful, the Director, Finance shall be directed to dispose of such items in an appropriate manner and document the disposition.

### 2.11 Prohibitions (Contravention of Policy)

Failure to adhere to the provisions in this policy may be subject to disciplinary action in accordance with human resources policies;

- a) No contract for goods or services including professional and consulting services shall be divided to avoid the requirements of this purchasing policy;
- b) No award commitment shall be made without pre-approval;

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- c) No personal purchases shall be made by Conservation Halton for members of the Board or employees of Conservation Halton or their families;
- d) An employee or Board member who has the responsibility of declaring goods surplus will not bid or personally obtain any goods they have declared surplus except for when goods are sold by an “arms length” auction house conducting live or online auctions;
- e) No employee or Board member of Conservation Halton shall purchase or offer to purchase, on behalf of Conservation Halton, any goods or services, except in accordance with this purchasing policy;
- f) Any Board member, employee, or member of an employee’s family of Conservation Halton is expressly prohibited from accepting, directly or indirectly from any person or organization to which a purchase order or contract is, or may be awarded, any rebate, gift or money, except;
  - gifts given for the use and benefit of Conservation Halton;
  - moderate hospitality during the normal course of business that would not significantly exceed what Conservation Halton, through the employee’s expense account, would likely provide in return and would not be perceived by others as influencing the making of a business decision.
- g) No employee shall sell directly to Conservation Halton or use Conservation Halton to purchase goods and services at a reduced price for personal use except as provided by Conservation Halton’s human resources policies.

### **2.12 Health and Safety**

Conservation Halton is committed to promoting health and safety in the workplace by preventing accidents, injuries and occupational illness.

In keeping with this policy, Conservation Halton staff directly responsible for engaging service providers (contractors) must:

- Be on the lookout for and identify potential health and safety hazards.
- Specify health and safety requirements in the contract and ensure the contractor is in compliance with all government regulated policies and training requirements.
- Obtain agreement from the contractor to follow these requirements prior to awarding the contract.
- Actively monitor compliance with health and safety requirements.
- Ensure appropriate staff receives the direction and training to fulfill their responsibilities.

Contractors shall be required at all times to comply with the Occupational Health and Safety Act (Act), Regulations, all Industry standards, training requirements, and guidelines, and shall be responsible for and take every precaution reasonable in the circumstances for the protection of all workers associated with the services being performed, whether employed by the contractor, Conservation Halton or a third party.

Contractors shall acknowledge that they have read, understood and provided training in relation to the Act, Regulations, all industry standards and guidelines to its supervisors and employees. Upon request, the contractor shall provide its health and safety policies and procedures, valid training certificates and other related materials to Conservation Halton for review prior to the commencement of the services.

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In the event the contractor determines that any of its material and/or equipment is unsafe, the contractor shall take appropriate action to protect the employees and third parties from all hazards and immediately notify Conservation Halton.

The contractor shall report all serious accidents, critical injuries, fatalities, and accidents involving third parties to Conservation Halton immediately.

In the case of construction projects, Conservation Halton staff shall also comply with the Occupational Health and Safety Act and Regulations for construction projects.

Staff will ensure that Conservation Halton is not put into the position of “Constructor”. Contractors will not work in an area together where their work or the flow of workers could interfere or be perceived to interfere with the safety of workers. If this is unavoidable, there must be clear delineation between the work areas as provided for in the Constructor Guidelines from the Ministry of Labour.

### **2.13 The Freedom of Information and Protection of Privacy Act**

The information collected in response to Conservation Halton’s purchasing policy is collected under the authority of the Freedom of Information and Protection of Privacy Act. The information collected will be used solely for the purpose stated. Documents submitted by bidders shall become the property of Conservation Halton and shall be subject to the Freedom of Information and Protection of Privacy Act.

### **2.14 References**

Contractors not used previously by Conservation Halton must provide three satisfactory references prior to the award of a contract for services in excess of \$10,000 similar in scope and size of the services requested. References must provide satisfactory evidence of the contractor’s ability to complete the work as bid.

### **2.15 Local Preference**

Conservation Halton subscribes to open market, fair and transparent purchasing practices, and as such, does not provide for incentives or means to promote local vendor preference.

### **2.16 Disclosure of Bid Information**

Conservation Halton may disclose the results of the bid process to other suppliers and members of the public as follows:

For Quotations and Tenders – Bidder’s names and amount bid.

For Request for Proposals – Bidder’s names only as the decision to award to a bidder is based on specific evaluation criteria and price is not the sole criteria for the award.

Upon award, Conservation Halton may disclose name of awarded vendor and total awarded amount.

## CONSERVATION HALTON PURCHASING POLICY

If the bid was posted on BidsandTenders.ca the award information will be posted on the site.

### 2.17 Environmental Considerations

Conservation Halton shall encourage the procurement of supplies and services with regard to preservation of the natural environment. Suppliers may be selected to supply goods made by methods resulting in the least damage to the environment, and/or to supply goods incorporating recycled materials where practicable. It is to be understood that total lifecycle cost analysis may be required to ensure that these supplies and services are financially viable and available at competitive prices.

### 2.18 Purchase of Used or Second-Hand Goods

From time to time there may be a case to be made for the purchase of used or second-hand goods. In all cases, the purchase must first be reviewed by the Procurement Manager. Used goods may only be purchased from other public agencies or government endorsed sources or auction sites. A purchase of used goods made other than as noted above may not be paid for from Conservation Halton funds.

### Section 3: Procurement Authorized Staff

Senior Staff/Department	Procurement Authorized Staff
President & CEO	Senior Advisor, Office of the President & CEO
Chief Operating Officer	Senior Manager, Corporate Services Project Managers Facilities Maintenance Coordinator
Executive Director, Foundation	Campaign Manager, Foundation
Director, Human Resources	Manager, HR Health & Safety Specialist
Senior Director, Watershed Strategies & Climate Change	Senior Manager, Watershed Planning & Source Water
Director Planning & Regulations	Coordinator, Floodplain Mapping
Associate Director, Science & Partnerships	Coordinator, Landowner Outreach Coordinator, Monitoring Ecology HHRAP Coordinator
Director, Communications	Manager of Communications & Marketing Senior Graphic Designer, Marketing & Events Coordinator
Director, Parks & Operations	Senior Manager, Programs & Services Senior Manager, Operations Coordinator Coordinator, Rental & Retail Coordinator, Corporate & Special Events Manager, Facilities & Maintenance

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Coordinator, Facilities & Maintenance  
Coordinator, Risk & Enforcement  
Visitor Safety Lead  
Coordinator, Outdoor Recreation Operations  
Coordinator, Recreation Programs  
Supervisor, Lift Operations  
Coordinator, Animal Care & Programs  
Coordinator, Community Engagement & Outreach  
Forestry Technician Lead  
Lands Manager  
Risk & Compliance Specialist

Manager, Visitor Experience  
Coordinator, Visitor Services  
Coordinator, Visitor Services & Retail  
Manager, Education & Outreach

Engineering

Project Manager, Engineering  
Manager, Flood Forecasting & Operations

Director, Finance

Sr. Manager, Finance

### **Delegated Authority:**

Authorized staff noted above may, from time to time, delegate authority to other staff members under their supervision. However, at all times, a procurement authorized staff will be held responsible for the proper execution of the Purchasing Policy.

All procurement authorized staff and those who have received delegated authority, will be required to attend training when the policy is approved or revised.

### **Section 4: Exempt Goods and Services**

#### **1. Petty Cash Items**

#### **2. Training and Education**

- a) Conferences, conventions, courses and seminars;
- b) Magazines, books, and periodicals;
- c) Professional and association memberships

#### **3. Employee and Board Member Expenses**

- a) Advances
- b) Meal Allowances
- c) Travel and Entertainment
- d) Accommodation

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### **4. Employer's General Expenses**

- a) Employee payroll
- b) Payroll deduction remittances
- c) Medical and dental expenses
- d) Licenses (eg. vehicles, radios, lifts)
- e) Infrastructure Software licensing and maintenance fees
- f) Insurance premiums
- g) Damage claims through insurance
- h) Bank charges, merchant services
- i) Audit fees

### **5. Professional and Special Services**

- a) Board per diems
- b) Artistic and cultural services
- c) Honorariums
- d) Legal fees
- e) Witness Fees
- f) Appraiser fees
- g) Legal settlements
- h) Human resources medical/disability assessments and investigations

### **6. Utilities**

- a) Postage
- b) Hydro, fuel oil, gas
- c) Telephone
- d) Telecommunications services

### **7. Cooperative Purchasing Contracts Awarded by:**

- a) Halton Cooperative Purchasing Group (HCPG)
- b) Province of Ontario Broader Public Sector (BPS) Agreements, OEM and LAS, etc.

### **8. Real Property Purchase and Sale**

### **9. Agreements approved by the Conservation Halton Board**

**Note:** The exemptions listed in this policy do not exclude a supplier, contractor, consultant or vendor of any kind of the requirement to provide insurance certificates, WSIB certificate or the CH Vendor Code of Conduct.

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## Section 5: Bid Irregularities

A bid irregularity is a deviation between the requirements (terms & conditions, specifications, special instructions) of a bid request and the information provided in a bid response.

### APPLICABLE TO ELECTRONIC BIDDING ONLY

	<b><u>Irregularity</u></b>	<b>Action Taken</b>
1.	<b><u>Late bid:</u></b> Bid received after the closing date and time specified in the bid document.	Bidding system does not accept late bids  Bid declared non-compliant
2.	<b><u>Addenda:</u></b> Addenda not acknowledged	Bidding system does not accept bids that have not acknowledged all addenda  Bid declared non-compliant
3.	<b><u>Site meeting:</u></b> Bidder did not attend a mandatory site meeting.	Bidding system does not accept bids from bidders that did not attend the mandatory meeting  Bid declared non-compliant
4..	<b><u>Method of delivery:</u></b> Where the bid has been submitted via any other method other than through the bidding system, where no such provision is allowed for in the bid document.	Bid declared non-compliant
5.	<b><u>Suspended vendor:</u></b> Bid received by a bidder who has been suspended from the bidding process.	Bid declared non-compliant unless express approval has been provided by the appropriate authority and evidence of corrective measures and discrepancies have been remedied
6.	<b><u>Format:</u></b> Bid not on the form supplied by Conservation Halton or not in the format specified in the bid document.	Bid declared non-compliant
7.	<b><u>Bid bond/Agreement to bond:</u></b> Bond is missing.	Bidding system does not accept bids that do not have the bid bond or agreement to bond attached.  Bid declared non-compliant
8.	<b><u>Bid bond/Agreement to bond:</u></b> The amount is less than the amount indicated in the bid document.	Unless in the opinion of the Procurement Manager, the insufficiency is trivial or insignificant. Bidder shall be given five (5) business days to rectify.
9.	<b><u>Bid bond/Agreement to bond:</u></b>	Bid declared non-compliant

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	The bonding company is not licensed to conduct business in Ontario.	
10.	<b><u>Bid bond</u></b> : Bond is not an electronically verifiable/enforceable (e-Bond) as indicated in the bid document.	Bidder shall be given five (5) business days to rectify
11.	<b><u>Documents</u></b> : Documents provided through the Bidding System were not the required ones and/or documents are not legible	Bid declared non-compliant
12.	<b><u>Qualified bid</u></b> : Where the bid has been qualified by changes to specifications or major requirements and acceptance would allow an unfair advantage over competitors.	Bid declared non-compliant
13.	<b><u>Bid does not meet major specifications</u></b> and is not suitable. Major specifications to be determined by Conservation Halton bid representative and Procurement Manager.	Bid declared non-compliant
14.	<b><u>Bid does not meet minor specifications</u></b> and an acceptable alternative is provided as determined by Conservation Halton bid representative and Procurement Manager.	Bid to be reviewed by Bid Review team and Procurement Manager.
15.	<b><u>Bid form not signed</u></b>	The bidding system does not accept bids unless the bidder has checked a box confirming authority to submit a bid on behalf of the bidder.
16.	<b><u>Failure to execute</u></b> : Fails to execute a contract or supply supplementary documents after Intent to Award letter has been issued.	Award may be overturned.
17.	<b><u>Other bid irregularities</u></b>	Ruling by Procurement Manager - Bidder <u>may</u> be given up to five (5) business days to remedy the bid irregularity

**APPLICABLE TO HARD COPY BIDDING SUBMISSION ONLY** (bids between \$10,000-\$50,000)

	<b><u>Irregularity</u></b>	<b><u>Action Taken</u></b>
1.	<b><u>Late bid</u></b> : Bid received after the closing date, location and time specified in the bid document.	Bid rejected



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2.	<b><u>Addenda:</u></b> Addenda not acknowledged	Bid rejected if the addendum could impact the bid response. If the addendum will not impact the bid response, the bidder has two (2) business days to acknowledge and incorporate the addenda
3.	<b><u>Site meeting:</u></b> Bidder did not attend a mandatory site meeting.	Bid rejected
4.	<b><u>Suspended vendor:</u></b> Bid received by a Bidder who has been suspended from the bidding process.	Bid declared non-compliant unless express approval has been provided by the appropriate authority and evidence of corrective measures and discrepancies have been remedied
5.	<b><u>Format:</u></b> Bid not on the form supplied by Conservation Halton or not in the format specified in the bid document.	Bid declared non-compliant if the format is material to the bid
6.	<b><u>Bid bond/Agreement to bond:</u></b> Bond is missing.	Bid rejected
7.	<b><u>Bid bond/Agreement to bond:</u></b> The amount is less than the amount indicated in the bid document.	Unless in the opinion of the Procurement Manager, the insufficiency is trivial or insignificant. Bidder shall be given two (2) business day to remedy.
8.	<b><u>Bid bond/Agreement to bond:</u></b> The bonding company is not licensed to conduct business in Ontario or is not in the form specified, or not signed by the bonding company and/or bidder.	Bid declared non-compliant
9.	<b><u>Documents:</u></b> Documents are not completed in ink or documents are not legible	Bid declared non-compliant
10.	<b><u>Documents:</u></b> Documents contain changes, erasures, overwriting, whiteouts, cross- outs or strikeouts that are not initialed by the bidder	Bidder shall be given two (2) business days to rectify.
11.	<b><u>Qualified bid:</u></b> Where the bid has been qualified by changes to specification or major requirements and acceptance would allow an unfair advantage over competitors.	Bid declared non-compliant
12.	<b><u>Bid does not meet major specifications and is not suitable. Major specifications to be determined by Conservation Halton bid representative and Procurement Manager.</u></b>	Bid declared non-compliant

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13.	<b><u>Bid does not meet minor specifications and an acceptable alternative is provided as determined by Conservation Halton bid representative and Procurement Manager.</u></b>	Bid to be reviewed by Bid Review team and Procurement Manager.
14.	<b><u>Bid form not signed</u></b>	Bid declared non-compliant
15.	<b><u>Mathematical errors:</u></b> in extensions, additions or totals	Conservation Halton has the right to correct the mathematical errors. In all cases the unit prices will be used to correct the discrepancy.
16.	<b><u>Other bid irregularities</u></b>	Ruling by Bid Review Panel - Bidder <u>may</u> be given up to five (5) business days to rectify the bid irregularity

**Note:** The above noted should not be considered all-inclusive. The Procurement Manager, in consultation with the requisitioning department, will review minor irregularities. The Procurement Manager may then accept the bid, or request that the bidder rectify the deviation.

### Section 6: Definitions

“**acquisition**” means the process of obtaining goods or services, including rental or lease;

“**award**” means the authorization to proceed with the purchase of goods, services, or construction;

“**bid**” means an offer or submission from a vendor in response to a request for quotation, tender or proposal, which is subject to acceptance or rejection;

“**bidder**” means any legal entity that submits a bid in response to a call for bids;

“**bid request**” means a written request for bids or a solicitation, which may be in the form of a Request for Quotation, Request for Tender. or Request for Proposal;

“**Conservation Halton**” means The Halton Region Conservation Authority;

“**constructor**” means “a person who undertakes a project for an owner and includes an owner who undertakes all or part of a project by himself or by more than one employer” as defined by the Constructor Guidelines from the Ministry of Labour and as provided for in the Occupational Health and Safety Act.

“**contract**” means a legally binding agreement between two parties;

“**contractor**” means the party responsible for providing construction and/or services also see Vendor;

“**cooperative purchasing**” means the participation of two or more public agencies, in a request for a quotation, tender, or proposal;

“**electronic bidding**” means a method of issuing bids and/or receiving bids through a bidding system over the internet;

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**“electronic bidding system”** means the eSolutions Group bidsandtenders™ proprietary bidding system;

**“emergency”** means an event or circumstance where the immediate purchase of goods, services or construction is necessary to prevent or alleviate serious delay, a threat to public health, safety or welfare, the disruption of essential services, or damage to public property or any other expenditure that is necessary to respond to any such event;

**“environmentally preferred”** means an environmentally preferred product or service will meet the criteria of a recognized third-party certification program, where such certification exists for that product category.

**“goods and services”** includes supplies, equipment, materials, and maintenance and service contracts;

**“life cycle costs”** means the cost of the good or service throughout its life cycle, from production, distribution, usage, end of life and its environmental impacts.

**“open market procedure”** means obtaining price quotations from vendors verbally or in writing;

**“personal purchases”** means a purchase of goods and services requested by a member, or by any employee of Conservation Halton or their family members, the requirement for which is not for Conservation Halton or any of its purposes, but is personal to the person requesting the purchase;

**“procurement authorized staff”** means those senior staff members or those designated to conduct or participate in procurement activity as identified in Appendix 1;

**“program director”** means the senior leader of the Conservation Halton program issuing the bid.

**“proposal”** means an offer from a vendor in response to a request for proposal, acceptance of which may be subject to further negotiation. The selection of the successful supplier is based on the effectiveness of the proposed solution rather than on price alone. The effectiveness of the proposal is measured against a standard set of evaluation criteria;

**“purchase order”** means a written or electronic offer to purchase goods and services or a written or electronic acceptance of an offer;

**“quotation”** means an offer from a bidder to buy or sell goods and services;

**“senior staff”** means a senior staff director of Conservation Halton as identified in Section 3;

**“service provider”** means the external party responsible for providing services also see Contractor and Vendor;

**“signing officer”** means one of the Conservation Halton Board Chairman, Vice-Chairman, President & C.E.O., Senior Director, Watershed Strategies & Climate Change, Director, Finance and the Chief Operating Officer (COO);

**“single source”** means although there may be more than one source in the open market, only one of these is recommended for consideration in a contract;

**“sole source”** means there is only one source of supply.

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**“tender”** means an offer from a bidder to buy from or sell goods and services in response to a public advertisement requesting tenders;

**“third party certification”** refers to an independent organization that licenses and certifies products that meet stringent sustainable standards developed by the organization. Some of the known certification programs most frequently used to certify environmentally preferred products are:

Energy Star, EcoLogo / Environmental Choice, Forest Stewardship Council (FSC), Sustainable Forestry Initiative (SFI), Electronic Products Environmental Assessment Tool (EPEAT), Green Seal, Greenguard, Leadership in Energy and Environmental Design (LEED), ecoAction, Canada Organic, Fairtrade Canada

**“vendor”** means the party responsible for providing the service, also see Contractor

### **Section 7: Standard Contract Terms and Conditions**

General purchasing terms and conditions will be posted on the Conservation Halton website. These “simple form” terms and conditions apply to all purchases made by procurement authorized, or delegated staff. The terms are subject to change from time to time and vendors are encouraged to refer to these terms prior to accepting staff’s offer to purchase.

Standard templates for staff use are available for bids, quotations, tenders and RFP’s. These templates can be found under Finance > Procurement on Sharepoint. Contact the Procurement Manager for assistance. The templates will change from time to time as laws and best practices change, staff are to use the appropriate template for completion of their bid documents. Staff are not to use old or previously released bid document terms and conditions, as they may not contain all relevant and updated clauses.

If changes are required to the templates, the Procurement Manager will ensure any necessary revisions are captured.

### **Section 8: Use of Corporate Credit Cards**

#### **1. Definition and Purpose**

The use of corporate credit cards issued to authorized staff provides an efficient, flexible and convenient means for purchasing low value goods and services and avoids employee out of pocket expenses for business purposes.

Corporate credit cards are not intended to avoid or bypass appropriate purchasing or payment procedures, but to complement existing procedures.

#### **2. Authority**

The credit card issued will be approved by both the Director, Finance and the respective program director and issued to those employees who occupy positions with the appropriate delegated purchasing authority. A position with the appropriate delegated authority does not necessarily include all procurement authorized staff in the Conservation Halton Purchasing Policy. Corporate credit cards are issued to the President & CEO, program directors and department managers as well as supervisors and coordinators where the position warrants.

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Each credit card will have a unique number and will be issued both in the name of The Halton Region Conservation Authority and the name of the employee who has been authorized to use the card. The card is not transferable to, or to be used by, any other person including other employees.

### **3. Restrictions**

Corporate credit cards are not to be used for the following purchases:

- When the purchase price exceeds the cardholder's credit limit. Credit cards issued have a predetermined credit limit. A transaction cannot be split into two or more separate amounts to bypass the cardholder's credit limit.
- Contracted services
- Hazardous materials
- Personal purchases or cash advances
- Rental and lease agreements beyond one year
- Illegal transactions

### **4. Staff Travel Expenses**

Staff travel expenses paid by corporate credit card must be in accordance with the guidelines provided in Conservation Halton's human resources policies.

### **5. Cardholder Responsibilities**

The cardholder is responsible for:

- Using the credit card in accordance with the guidelines set out in this policy and procedure.
- The security of the card and ensuring that documents bearing the card number are kept in a secure location with controlled access. When quoting the credit card number by fax or internet for a purchase, every precaution should be taken to avoid the risk of unauthorized use of the card number. The credit card number is only to be provided for internet purchases if it is known to be a secure site.
- The cardholder must notify immediately Scotiabank VISA and the Director, Finance if the credit card is lost or stolen. Scotiabank VISA can be notified during 24 hours, 7 days a week.
- Obtaining receipts for each purchase and reconciling the receipts with the monthly credit card statement. Detailed credit card receipts showing the purchase breakdown and taxes charged must be submitted with the reconciled statement by the end of each month. Repeated failure to submit receipts will result in card cancellation. Without the detailed receipt, providing the HST Registration number, tax rebates cannot be applied to the purchase resulting in inflated expenses. If no receipt is available, a completed Missing Receipt Form must be completed and attached to the credit card statement.
- The cardholder is responsible for the vendor search and selection, product/service specification, quality, quantity, price negotiation, freight charges, delivery requirements, and resolving any problems arising from the purchase including returns and disputed charges.
- Upon a transfer of position within Conservation Halton or termination from Conservation Halton, the cardholder shall return the credit card to the Director, Finance for immediate cancellation of the card.

## CONSERVATION HALTON PURCHASING POLICY

Cardholders who do not comply with this, policy may have their credit card privileges revoked by the President & CEO without notice and are subject to disciplinary action in accordance with the Human Resources progressive discipline policy I.

### **6. Late Payment Charges**

Conservation Halton will not pay late payment charges. All cardholder statements will be paid in full as charged by ScotiaBank, even if they are not reconciled in time for payment. Finance staff will code unreconciled credit card charges to an appropriate account.

### **7. Reconciliation and Approval of Monthly Statement**

Monthly statements are emailed to cardholders from ScotiaBank within a few days following the 15th of the month. Cardholders are responsible for printing their statement, attaching receipts (for each charge listed) that include appropriate account code. The statement must be reviewed and approved by the direct supervisor. Supervisors are responsible for reviewing purchases, ensuring all receipts have been attached before signing the statement, and forwarding the signed statement to the Accounts Payable & Capital Assets Coordinator by the end of each month. The cardholder is responsible for settling disputes directly with the merchant or business concerned.

Cardholder monthly statements are to be signed by the cardholder's supervisor indicating approval of the statement as follows:

<u>Cardholder</u>	<u>Approving Supervisor</u>
Supervisor	Area Manager
Managers and Supervisors	Program Director
Program Directors	President & CEO
President & CEO	Conservation Halton Board Chair or in their absence the Vice Chair

### **8. Card Renewal**

Each credit card is issued for a period of one year. Credit cards will be automatically renewed unless the Director, Finance advises Scotiabank otherwise.

### **9. Use of Personal Credit Cards**

When a staff has been issued a corporate credit card, that card is the only card that shall be used for purchases made on behalf of Conservation Halton. Personal credit cards for Conservation Halton purchases may only be used with prior permission from the Director, Finance.

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**MISSING RECEIPT FORM**

*To be completed for missing receipts and attached to credit card statement or expense reimbursement form.*

Vendor: \_\_\_\_\_

Description of Expense: \_\_\_\_\_  
\_\_\_\_\_

Date of Receipt: \_\_\_\_\_

**Amount:** \_\_\_\_\_

The original receipt for the expenditure noted above is not available and is the correct amount of the original receipt. No reimbursement of this expense will be sought or accepted from any other source.

Name: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Approver's Name: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

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## **Section 9: Certificate of Insurance**

Service Providers or contractors providing services to Conservation Halton are required to carry and maintain coverage suitable to Conservation Halton. Certificates of insurance (naming Conservation Halton as an additional insured) must be completed by the service provider or contractor and submitted to the Procurement Manager prior to the start of work.

## **Section 10: Sustainable Purchasing Guideline**

The purpose of this guideline is to assist staff in acquiring goods and services for Conservation Halton from suppliers that generate positive environmental outcomes, and to integrate sustainability considerations into product selection so that negative impacts on the environment are minimized throughout the full life cycle of the products.

Environmentally preferred purchasing considers the environmental impacts of all phases of the life cycle of goods and services, including raw materials, manufacturing, packaging, distribution, operation, maintenance, and disposal, including the potential for reuse or ability to be recycled.

Staff are encouraged to consider purchasing environmentally preferred goods and services as part of their purchasing decisions. Purchasing environmentally preferred goods and services demonstrates Conservation Halton's leadership and support for greener business practices, while achieving value for money through the consideration of life-cycle costs.

## **Section 11: Environmental Procurement**

Conservation Halton shall seek opportunities to encourage the procurement of environmentally preferred goods and services through employee education; pilot testing of potential new products when appropriate; adopting innovative product standards, specifications, and contracts; leveraging buying expertise in Halton Region and cooperative ventures with other organizations.

Wherever possible, the following environmental considerations will be incorporated into the procurement of goods and services.

### **11.1 Conserving Resources** – purchasing goods and services that:

- a) reduce consumption of resources (e.g. water, energy, raw materials)
- b) maximize recycled, post-consumer content
- c) require less packaging and/or will be taken back for recycling or reuse
- d) promote durability and can be reused, recycled and repaired
- e) minimize toxicity
- f) contains re-usable parts
- g) protects indoor and outdoor air quality

### **11.2 Protecting Human Health and the Environment** – purchasing goods and services that:

- a) are made from environmentally sustainable harvesting or extraction practices
- b) reduce or eliminate toxic substances released and/or used in their production are properly managed at the end of their useful life
- c) minimize pollutant releases
- d) minimize greenhouse gas emissions



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- e) minimize impacts on biodiversity
- f) minimizes human health impacts

Conservation Halton will rely on third-party certification for identification of environmentally preferred products and services when available. The third-party certification process will provide a minimum standard by which to select environmentally preferred products and services. Additional environmental criteria can be added to the requirements, on an as needed basis.

**11.3 Life Cycle Cost Review** – an assessment will be completed for the full cost of the good or service during its life cycle including the following:

- a) Initial cost of the purchase – including installation and delivery fees;
- b) Operating costs of using the good or service – including energy used; training; health and safety equipment requirements;
- c) Required maintenance and repairs – warranty provided by vendor, service agreement costs; cleaning products, cost and frequency of upgrades;
- d) Disposal costs at the end of the good's useful life – special disposal requirements and fees, recyclable goods for return to vendor or reuse by another organization.
- e) Environmental impacts – air and noise emissions, toxic or hazardous materials used in the good, waste produced.

### **Section 12: CH – Vendor Code of Conduct**

Service Providers or contractors providing services to Conservation Halton are required to comply with the CH Vendor Code of Conduct. The CH Vendor Code of Conduct ensures that CH business partners operate, internally and externally, within a standard of care congruent with the values of CH. The CH Vendor Code of Conduct shall be included in all electronic solicitations and all Procurement authorized staff engaging with the vendor community shall secure an executed copy of the CH Vendor Code of Conduct from all service providers or contractors prior to the start of work. All executed copies of the CH Vendor Code of Conduct shall be forwarded to the Procurement Manager for filing.

## **Appendix 5 - President & CEO/Secretary-Treasurer Management Authority Limits Policy**

The PRESIDENT & CEO/Secretary-Treasurer shall act within the purpose of all executive limitations as outlined herein. To the extent that there is any inconsistency between the executive limitations as set out in this policy and the By-law and other policies of the Authority, this policy will prevail.

### **1. Executive Limitations**

The PRESIDENT & CEO/Secretary-Treasurer shall not cause or permit any practice, organizational circumstance, activity, or decision that is either imprudent or in violation of commonly accepted business practices or professional ethics.

1. Budgeting in any fiscal year shall not deviate materially from the Authority policies, risk financial jeopardy, or fail to be derived from a multi-year business plan.
2. Staff compensation and benefits shall not deviate materially from current market conditions.
3. Information presented to the General Membership will have no significant gaps in timeliness, accuracy, or completeness.
4. Financial performance shall not incur jeopardy or compromise the Authority's Strategic Plan priorities policies.
5. The scope of business activities shall recognize General Membership directions or regulatory restrictions and deviations from same shall require General Membership approval.
6. Risk management procedures shall be explicit and updated to protect the organization, Members, officers and Staff from exposed liabilities.

### **2. General Membership- President & CEO/Secretary-Treasurer Relationship**

The General Membership will link governance and management functions and performance through the PRESIDENT & CEO/Secretary-Treasurer.

1. Subject to the By-law of the Authority all authority to the operational organization is delegated through the PRESIDENT & CEO/Secretary-Treasurer, so that all authority and accountability for the operational organization is considered to belong to the PRESIDENT & CEO/Secretary-Treasurer.
2. The PRESIDENT & CEO/Secretary-Treasurer is accountable to the General Membership for achieving the Corporate Objectives and achieving provisions of the Strategic Plan policies within the PRESIDENT & CEO/Secretary-Treasurer Management Authority Limits Policy.
3. The General Membership limits the latitude the PRESIDENT & CEO/Secretary-Treasurer may exercise in practices, methods, conduct and other "means" by establishing the PRESIDENT & CEO/Secretary-Treasurer Management Authority Limits Policy.
4. As long as the PRESIDENT & CEO/Secretary-Treasurer uses any reasonable interpretation of By-law and Management Authority Limits Policy, the PRESIDENT & CEO/Secretary-Treasurer is automatically authorized to establish all further policies, make all decisions, take all actions, establish all practices, and develop all activities.

5. Monitoring data that disclose the degree of organizational performance and compliance with Strategic Plan priorities will be systematically gathered by the General Membership and considered part of the evaluation of PRESIDENT & CEO/Secretary–Treasurer Performance.
6. Members can never carry the instructive authority of the General Membership, nor can they waive requirements set out by the General Membership.

### ***3. Matters Requiring General Membership Review And Approval***

#### **A) MATTERS REQUIRING GENERAL MEMBERSHIP CONSENT**

- Any matter requiring General Membership consent pursuant to The Halton Region Conservation Authority General Membership By-law dated the ..... day of ....., 2018.

#### **B) BUDGET AND BUSINESS PLAN DOCUMENTATION**

- annual corporate and business objectives, financial and non-financial;
  - annual strategic plan;
  - financial plans including proposed corporate financing and investments;
  - annual operating and capital budget; or
  - any other items as outlined in the Conservation Halton Budget Principles, approved by the General Membership.
- #### **RISK MANAGEMENT**
- general risk management policies,
  - purchase (or sale) of any real property interest of Conservation Halton, except as outlined in the Land Acquisition Strategy approved by the General Membership.

#### **C) COMPENSATION AND HUMAN RESOURCES**

- compensation for the President & CEO/Secretary–Treasurer.

#### **D) FINANCIAL REPORTING REQUIREMENTS**

- The General Membership should be presented with financial statements (in conjunction with the General Membership's meeting schedule), complete with an analysis of variances between actual and budget, by major classification.

### **Conservation Halton Purchasing Policy Approval and Reporting Requirements**

#### **Awards during extended Board meeting breaks**

Section 2.3.2 b) of the CH Purchasing Policy allows the CEO (or delegate of COO or Director, Finance) to proceed with contract award when a Board meeting break occurs for greater than 25 days (excluding weekends and statutory holidays), provided the following conditions are met:

- 1) A competitive procurement has been completed

- 2) The recommended award is compliant in accordance with the procurement process in the CH Purchasing Policy. The award will be reported in the Purchasing Activity Memo.
- 4)3) The CH portion of the award value is within the approved budget amount or additional funding has been confirmed through a grant agreement completed after budget approval. Budget increases beyond the original budget associated with new grant funding agreements will be recommended for approval through the Budget Variance Report.

The following summary outlines the purchasing process and reporting procurement values, excluding taxes and shipping and has been approved by the General Membership Procedure	Procurement Value	Process, Approvals and Reporting Requirements
Competitive quotations not required	< \$10,000	Open procurement by procurement authorized staff.
Informal Quotation	\$10,000 - <\$25,000	Three written quotes solicited by procurement-authorized staff. Procurement Manager available to support. Approval by the Program Director is required.
Formal Quotation	\$25,000 - <\$50,000	Three written quotes solicited using a formal quotation process administered by the Procurement Manager. Approval by the President & CEO, COO or Director, Finance.
Formal Request for Proposal & Tenders	\$25,000 - <\$50,000	Proposals with at least three bids solicited using standard template forms administered by the Procurement Manager. Approval by the President & CEO, COO or Director, Finance.
	\$50,000 - < <del>\$100,000</del> <u>\$499,000</u>	Formal publicly advertised procurement process administered by the Procurement Manager. Approval by the President & CEO, COO or Director, Finance.
	<del>\$100,000</del> <u>500,000</u> & over	As above and approval by the Board.
Other than lowest compliant bid or exceeds budget	>\$50,000	Approved by Board
Non-competitive or negotiated bid – Sole, Single Source	>\$10,000-<\$25,000	Approval by program Director and Procurement Manager.

Non-competitive or negotiated bid – Sole, Single Source	>\$25,000-<\$100,000	Approval by program Director, Procurement Manager, and the President & CEO, COO or Director, Finance Information report provided to the Board.
	>\$100,000	Process as above and approval by Board
Emergency Purchases	>\$10,000-<\$25,000	Approval by program director and Procurement Manager
	>\$25,000	Approval by program director, Procurement Manager, and the President & CEO. Information report to Board after resolution of the emergency situation.

- It is acknowledged that the PRESIDENT & CEO/Secretary–Treasurer or acting President & CEO may need to act promptly in emergency situations, including but not limited to
  - major storm or catastrophic damage,
  - public and health & safety issues,
  - expiring deadline, or
  - any other emergent matter adversely affecting the Authority.

In these circumstances, the President & CEO/Secretary–Treasurer and Acting President & CEO may exceed the Authority Limits but will immediately inform the Chair of the General Membership, or if unavailable, the Vice-Chair of the General Membership, or if unavailable, the Chair of the Finance and Audit Committee, or if unavailable, the Chair of the Governance Committee of the situation and reasons why the limits were exceeded. Thereafter provide a written report at the next scheduled meeting of the General Membership or a later date as appropriate.