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POLICY STATEMENT:

This Policy establishes the authority and sets out the methods by which Goods, Services or Construction will be purchased and disposed of for the purposes of the Sault Ste. Marie Public Library Board subject to certain exceptions where indicated.

PURPOSE

The purpose of this Policy are:

- a) To encourage fair and open competition among suppliers;
- b) To maximize savings;
- c) To ensure service and product delivery, quality, efficiency and effectiveness;
- d) To ensure fairness and objectivity to all bidders;
- e) To ensure openness, accountability and transparency while protecting the financial best interests of the Sault Ste. Marie Public Library Board;
- f) To have regard to the accessibility for persons with disabilities to the Goods, Services and Construction purchased by the Sault Ste. Marie Public Library Board in compliance with the Ontarians with Disabilities Act, 2001, S.O. 2001, c.32; and the Accessibility for Ontarians with Disabilities Act, 2005, S.O. 2005, c.11;
- g) To dispose of surplus and obsolete goods in the most cost effective and environmentally responsible manner.

DEFINITIONS

"AWARD", "AWARDED" and "AWARDING" authorization to proceed with the purchase of Goods, Services or Construction from a chosen supplier;

"BID" an offer or submission from a supplier in response to a Bid Solicitation;

"BID BOND" the form of security required by the terms and conditions of Bid Solicitation documentation to guarantee that the successful bidder enters into a Contract with the Sault Ste. Marie Public Library Board;

"BID SOLICITATION" a formal request for Bids that may be in the form of a Request for Tender or Request for Proposal;

"BOARD" The Sault Ste. Marie Public Library Board;

"CONSTRUCTION" a construction, reconstruction, demolitions, repair or renovation of a building, structure or other civil engineering or architectural work and includes site preparation, excavation, drilling, seismic investigation, soil investigation, the supply of products and materials and the supply of equipment and machinery if they are included in and incidental to the construction, and the installation and repair of fixtures of a building, structure or other civil engineering design or architectural work, but does not include professional services related to the construction contract unless they are included in the specifications for the procurement;

"CONTRACT" any agreement, regardless of form or title, for the lease, purchase or disposal of Goods, Services or Construction authorized in accordance with this Policy;

"CORPORATE CREDIT CARD" a card issued in the name of the Sault Ste. Marie Public Library for the purpose of purchasing Goods and Services: for example, corporate VISA cards;

"EMERGENCY" a threat or situation where lack of immediate action is likely to jeopardize operations, disrupt service or threaten the health and safety of staff and/or public;

"FAIR MARKET VALUE" the price in an open and unrestricted market between knowledgeable and willing parties dealing at arms-length and not under any compulsion to transact;

"LOWEST COMPLIANT BID" the Bid provides the Library with the desired Goods, Services or Construction at the lowest Total Acquisition Cost, meeting the specifications;

"PROFESSIONAL SERVICES" persons having a specialized knowledge or skill for a defined Service requirement including,

(a) Architects, engineers, designers, management and financial consultants;

(b) Firms or individuals having specialized competence in environmental, planning or other disciplines;

"PROPOSAL" an offer submitted in response to a Request for Proposal, acceptance of which may be subject to further negotiation;

"PURCHASE ORDER" a Contract between the Library and a supplier for a specific quantity of Goods, set of Services or type of Construction defined by such things as time period, location(s) and price;

"REQUEST FOR PROPOSAL" a Bid Solicitation used to acquire Goods, Services or Construction, the suitability of which is dependent upon non-price factors and which may result in further negotiation;

"SINGLE SOURCE" the vendor is selected without making competitive sourcing inquiries;

"SOLE SOURCE" the vendor is the only known source of supply;

"STANDING PURCHASE ORDER" a Contract between the Library and a vendor for the supply of regularly or frequently ordered Goods or Services. Standing purchase orders may include conditions;

"SERVICES" all professional and consulting services and relating to real property;

"TENDER" a publicly advertised Bid Solicitation;

"TOTAL ACQUISITION COST" an evaluation of quality and services in the assessment of a Bid and the sum of all costs including, but not necessarily restricted to, purchase price, taxes, warranties local service cost, life cycle costs, time of completion or delivery, inventory carrying costs, operating and disposal costs for determining the Lowest Compliant Bid;

GENERAL PROCUREMENT

APPLICATION

- (1) These procedures are to be followed to Award a Contract or to recommend to the Board that a Contract be Awarded.
- (2) The CEO may purchase or contract for the Goods and Services listed in Schedule "A" without following the procedures set out here. The CEO may delegate this responsibility as appropriate.
- (3) The procurement of legal services shall be contracted for by the CEO.
- (4) The purchase of Goods and Services listed in Schedule "A" may be made provided that sufficient funds are available and identified in appropriate accounts within the Board's approved budget.
- (5) Some purchases and/or capital building projects may be coordinated through the City of Sault Ste. Marie, in which case the City of Sault Ste. Marie's Procurement Policy may be utilized.

RESTRICTIONS

- (1) No Contract for Goods, Services or Construction may be divided into two or more parts to avoid the application of the provisions of this policy.
- (2) No employee shall purchase, on behalf of the Library, any Goods, Services or Constructions, except in accordance with this policy.

- (3) An Employee involved in the Awarding of any Contract must not have any direct or indirect pecuniary interest in the Contract. The Employee:
 - (a) Shall immediately disclose the interest to the CEO and shall describe the general nature thereof;
 - (b) Shall not take part in the selection, awarding, or in any way influence the Award of the Contract.
- (4) An employee has an indirect pecuniary interest in any Contract in which the Library is concerned, if,
 - (a) The employee or their spouse or partner
 - (i) is a shareholder in, or a director or senior officer of a corporation that does not offer its securities to the public that has a pecuniary interest in the Contract,
 - (ii) has a controlling interest in or is a director or senior officer of a corporation that offers its securities to the public that has a pecuniary interest in the Contract, or
 - (iii) is a member of an unincorporated association or partnership that has a pecuniary interest in the Contract.

An employee found to be in conflict as per this policy may be subject to disciplinary action.

- (5) All Sault Ste. Marie Public Library Board members shall conduct themselves in accordance with the Municipal Conflict of Interest Act.
- (6) There will be no local preference for purchases in compliance with the Discriminatory Business Practices Act, Revised Statutes of Ontario, 1990 Chapter D.12 and the Ontario Free Trade Agreement that does not allow for geographical preference.

TOTAL ACQUISITION COST

Where this policy prescribes dollar limits, the Contract amount shall be the estimated Total Acquisition Cost less any rebates; not including sales tax.

PRESCRIBED BOARD APPROVAL

- (1) Despite any other provisions of this policy the following Contracts are subject to Board approval:
 - (a) Any Contract requiring approval from the Ontario Municipal Board;
 - (b) Any Contract where the Total Acquisition Cost is greater than the Board's Approved Budget;
 - (c) Any Contract where an irregularity precludes the Award of a Contract to the supplier submitting the lowest bid;
 - (d) Any Contract where Goods, Service or Construction is available from only one source of supply and the Total Acquisition Cost of such Goods, Service or Construction exceeds \$10,000.00;
 - (e) Where Goods, Service or Construction has been restricted to a single source of supply because standardization, compatibility, cost effectiveness or similar justification is the overriding consideration and on any anniversary of the renewal of that restriction;

(f) Any Contract where the Request for Proposal method of purchase of Goods, Services or Construction is being used and the estimated value of the Goods, Services or Construction exceeds \$100,000.00;

(2) The following approvals must be secured for Change Orders to approved Contracts: (a) Non-Scope of Work Change Orders, a tolerance of 10% of the approved Project Cost in total for all Change Orders applies. Approval is subject to identified funding and may be secured from the CEO up to their Approval Limit (b) Scope of Work Change Orders are subject to identified available funding and require approval from originating approver.

RESPONSIBILITIES AND AUTHORITIES

Expenditure Authorization

(1) The Library Board has ultimate authority for all expenditures. The Board delegates this authority to the CEO by the authorization of budgets or by specific resolution. Library employees cannot purchase any item that has not been authorized by the Board and/or the CEO.

(2) Department Managers and the Business Administrator shall be responsible for and shall have authority for all procurement activity and decisions within their departments as are delegated to them by the CEO, and are accountable for achieving the specific objectives of the procurement project.

(3) The CEO is responsible for:
(a) Monitoring compliance with this policy;
(b) Informing the Board

(4) The CEO has the authority to instruct Department Managers, the Business Administrator and Administrative Clerk to decline the purchase of any specific items in the best interest of the Board.

Spending Authority

Title or Responsibility	Spending Authority	Budget Department
Chief Executive Officer	\$12,500	All
Business Administrator & Managers	Budget Amounts as Assigned	Budget Codes as Assigned

NOTIFICATION OF PROCUREMENT OPPORTUNITIES

(1) Notification of procurement opportunities for Goods, Services or Construction exceeding a Total Acquisition Cost of up to \$12,500.00 shall be made by Public Advertising which advertising may include newspaper, web site listings and other forms of electronic advertising, and may be used for any other purchase.

(2) Notification of procurement opportunities for Goods, Services or Construction may be supplemented by other means of notification where appropriate.

ACCESSIBILITY

All Bidders, Suppliers and Contractors who provide Goods, Services or Construction to the Sault Ste. Marie Public Library Board shall comply with the Accessibility for Ontarians Act, 2005, and all Regulations emanating therefrom.

PURCHASING PROCEDURES

(1) The CEO shall establish purchasing procedures consistent with the Purposes, Goals and Objectives set out in this policy.

(2) Where, in the opinion of the CEO adherence or non- adherence to this policy cannot be resolved they shall advise the Library Board Chairperson who shall have the authority to determine the appropriate action.

STANDING PURCHASE ORDERS

(1) A Standing Purchase Order may be used where:

- (a) Items or materials that are required to be updated or replenished on a regular basis

(2) The Collections Librarian shall establish and maintain Standing Purchase Orders as permitted by the Chief Executive Officer or Department Manager.

REQUEST FOR EXPRESSIONS OF INTEREST

The CEO may conduct a request for expression of interest for the purposes of determining the availability of suppliers of any Goods, Services or Construction for the purposes of keeping a list of available suppliers.

ENGAGEMENT OF CONSULTANTS

Engagement of Consultants and Licensed Professionals Consultant procurement shall follow the regular procurement policies outlined within this policy.

PROCUREMENT METHODS

The procurement methods for the purchase of Goods, Services or Construction are listed in Schedule "B".

LOW DOLLAR VALUE PURCHASES

Department requirements for Goods, Services or Construction having a low dollar value, not exceeding \$2,500.00 may be purchased from the competitive marketplace: Refer to Schedule B.

REQUEST FOR QUOTATION

(1) Purchasing requirements for Goods, Services or Construction having an estimated Total Acquisition Cost between:

- (a) \$5,000.00 and \$12,499.99 may be made by an informal Request for Quotation where written specifications are presented to the vendors by an authorized person and a written quotation is returned.
- (b) \$12,500.00 and \$25,000.00 may be made by formal Request for Quotation where the authorized person will distribute a full written Quotation to be signed and sealed and returned by the vendor.

(2) In appropriate circumstances, the Request for Proposal or the Request for Tender processes may be utilized for the purchase of Goods, Services or Construction in this Total Acquisition Cost range.

(3) The competitive method of purchase used to purchase the Goods, Services or Construction in this Total Acquisition Cost range shall demonstrate that Fair Market Value was achieved. The specifications for the Goods and Services and terms of purchase will be established with sufficient particularity to permit comparable quotations to be made by suppliers. A sufficient number of suppliers shall be requested to submit quotations on the specifications and terms of purchase so that at least three responsive quotations are received, where practical.

REQUEST FOR TENDER

(1) A Request for Tender shall be used for purchases exceeding \$25,000.00.

- (a) Two or more sources are considered capable of supplying the requirement;
- (b) The requirement is adequately defined to permit the evaluation of tenders against clearly stated criteria; and
- (c) It is intended that the Lowest Compliant Bid will be accepted without negotiations.

(2) The CEO may Award Contracts emanating from a Request for Tender provided that:

- (a) The Award is to the Lowest Compliant Bidder;
- (b) Sufficient funds are available and identified in appropriate accounts within the Board's Approved Budgets; and
- (c) The provisions of this policy are complied with.

(3) The CEO shall follow the provisions regarding the form of contract required to complete the purchase.

(4) This is a competitive method of purchase. The tender process follows the general procedures set out below:

- (a) Contractor and Supplier Qualification (if applicable);
- (b) Development of Specifications and Contract Terms;
- (c) Publication and Solicitation of Tenders;
- (d) Receiving and Opening of Bids;
- (e) Bid Evaluation and Selection.

The specifications and contract terms are detailed within the tender documents in such a degree that there is no prospect of negotiations between the parties. It

is intended to accept the lowest priced compliant bid, as the bidders must meet all the terms, conditions and specifications.

REQUEST FOR PROPOSAL

(1) A Request for Proposal shall be used for purchases exceeding \$10,000.00 or where considered appropriate for values under \$10,000.00, where:

- (a) the requirement is best described in general performance specification;
- (b) owing to the nature of the requirement, suppliers are invited to propose innovative solutions to a problem, requirement or objective and the selection of the supplier is based on the effectiveness of the proposed solution rather than on price along; or
- (c) to achieve best value, the Award selection will be made on an evaluated point per criterion or other method involving a combination of mandatory and desirable requirements or it is expected that negotiations with one or more bidders may be required with respect to any aspect of the requirement.

(2) Where the Contract price is anticipated to be \$12,500.00 or greater and the Request for Proposal method is utilized, the Board Chairperson or designate shall be a member of the committee evaluating the response to the Request for Proposal.

(3) Every Request for Proposal shall contain an evaluation grid.

(4) The CEO shall maintain a list of suggested evaluation criteria for assistance in formulating an evaluation grid, which criteria may include, but are not limited to, factors such as approach, equipment and facilities, experience and qualifications, methodology, past performance and scheduling, price and strategy.

(5) The CEO may Award Contracts emanating from a Request for Proposal provided that:

- (a) The estimated Total Acquisition Cost of the Goods, Services or Construction does not exceed \$25,000.00;
- (b) The Award is made to the supplier meeting all mandatory requirements and determined, by reference to an evaluation grid, as providing best value;
- (c) Sufficient funds are available and identified in appropriate accounts within Board Approved Budgets; and
- (d) The provisions comply with this policy.

(6) The CEO shall follow the provision regarding the form of contract required to complete the purchase.

NON-COMPETITIVE METHOD

(1) The Non-Competitive Method is a negotiated agreement for the purchase of

Goods, Services and Construction form a Supplier where there is no open competition. Defined as the use of a Sole or Single Source as appropriate.

(2) Non Competitive purchasing must be authorized by the CEO.

GUARANTEE OF CONTRACT EXECUTION AND PERFORMANCE

(1) The CEO may require that a Bid be accompanied by a Bid Bond or other similar security to guarantee entry into a Contract. Unless otherwise specified, in circumstances where a Bid Deposit is required, the refundable deposit requirements for Request for Tenders and Requests for Proposals shall be as follows:

ESTIMATED TOTAL ACQUISITION COST	TYPE OF SECURITY	MINIUMUM DEPOSIT REQUIRED
Less than \$25,000.00	Certified Cheque or Irrevocable Letter of Credit	5%
Greater than \$25,000.00	Bid Bond, Certified Cheque or Irrevocable Letter of Credit	10%

(2) Prior to the commencement of the work, the successful bidder may be required to provide the additional following security:

- (a) a Performance Bond to guarantee the performance of a Contract.
- (b) a Labour & Material Payment Bond to guarantee the payment of labour and materials supplied in connection with a Contract.
- (c) an Irrevocable Letter of Credit

(3) The CEO shall establish the appropriate means to guarantee execution and performance which may include surety bonds or other forms of security deposits, provisions for liquidated damages, progress payments and holdbacks.

(4) Prior to commencement of work, evidence of insurance coverage satisfactory to the CEO must be obtained, ensuring indemnification of the Sault Ste. Marie Public Library Board and, if requested, the City of Sault Ste. Marie, from any and all claims, demands, losses, costs or damages resulting from the performance of a Bidder’s obligations under the Contract and from any other risk determined by the CEO as requiring coverage.

(5) Prior to payment to a supplier, a Certificate of Clearance from the Workplace Safety and Insurance Board shall be obtained ensuring all premiums or levis have been paid to the Workplace Safety and Insurance Board to the date of payment.

CONTRACT WITHOUT BUDGETARY APPROPRIATION

Where a requirement exists to initiate a project for which Goods, Services or Construction are required and funds are not contained within the Board’s

Approved Budget to meet the proposed expenditure, the CEO shall, prior to commencement of the purchasing process, submit a report to the Board containing:

- (a) Information surrounding the requirement to contract;
- (b) The terms of reference to be provided in the Contract;
- (c) Information on the availability of the funds within existing estimates, which were originally approved by the Board for other purposes, or on the requirement of additional funds.

BIDS IN EXCESS OF PROJECT ESTIMATES

(1) Where Bids are received in response to a Bid Solicitation but exceed project estimates, the CEO or designate may enter negotiations with the Lowest Compliant Bidder to achieve an acceptable Bid within the project estimate.

(2) For Construction projects, negotiations shall be conducted in accordance with the guidelines established by the Canadian Construction Documents Committee (<http://www.ccdc.org/>).

EMERGENCY PURCHASES

(1) Where an Emergency exists requiring the immediate procurement of Goods, Services or Construction, the CEO may purchase the required Goods, Services or Construction by the most expedient and economical means, notwithstanding any other provision of this policy.

(2) A report to the Board shall be made by the CEO at the soonest Board meeting in all circumstances where the Emergency Purchase provisions of this policy have been exercised.

COOPERATIVE PURCHASES

(1) The Library may participate with other government agencies or public authorities in cooperative purchasing where it is in the best interest of the Board to do so and where the purposes, goals and objectives of this policy are complied with by such government agencies and public authorities.

(2) The policies of the government agencies or public authorities calling the cooperative Bid Solicitation are to be accepted policy for that particular purchase.

(3) The Sault Ste. Marie Public Library Board may purchase products through various consortiums arranged by Ontario Library Services (OLS) or other libraries or library agencies. These agencies negotiate prices through consortia purchasing agreements based on competitive selection and negotiation by sourcing agencies.

IDENTICAL TENDERS

(1) If the Lowest Compliant Bids from two or more bidders are identical in Total

Acquisition Cost or unit price, the CEO is authorized to enter into negotiations with the bidders who have submitted the identical prices in an attempt to obtain a lesser price and shall maintain a record in respect of such negotiations.

(2) The CEO shall not reveal information pertaining to such negotiations or the manner in which the final price was determined to any of the bidders concerned. The CEO shall include as part of the record, a report concerning the results of such negotiations.

(3) When negotiations are not successful in breaking the identical tenders, then the bidders involved will be so informed and advised that the tender to be accepted will be determined by means of a draw. The names of the tied bidders shall be placed in a container and the tender to be accepted shall be drawn by a Designated Official. The time and location of the draw shall be set by the Designated Official and the bidders shall be so advised in order that they may be present. The following shall be present:

- (a) Designated Official
- (b) The CEO
- (c) Any of the bidders, or their authorized representative.

Should any bidder elect not to be represented at the draw, the draw will proceed regardless.

BID IRREGULARITIES

The process for administering irregularities contained in Bids pertaining to all Contracts shall be as set out in Schedule "C", the applicable response is set out opposite the irregularity in the second column of Schedule "C".

CONTRACTUAL AGREEMENT

(1) The Award of a Contract over \$5,000.00 shall be made by way of an agreement, or as a Purchase Order.

(2) A Purchase Order shall be used when a Contract requires on the Sault Ste. Marie Public Library Board's appropriate contractual terms and conditions.

(3) A formal agreement shall be used when the Contract is complex and will contain other terms and conditions.

(4) The CEO shall determine if it is in the best interests of the Sault Ste. Marie Public Library Board to establish a formal agreement with the supplier.

(5) Where it is determined that a formal agreement is required, the Sault Ste. Marie Public Library Board may require that the formal agreement shall be reviewed by legal counsel.

(6) Where a formal agreement is required, the Board Chair and/or the CEO shall execute the agreement in the name of the Sault Ste. Marie Public Library Board.

(7) Where a formal agreement is issued, the Signing Authority may issue a Purchase Order incorporating the formal agreement.

(8) Where a formal agreement is not required, the Signing Authority shall issue and execute a Purchase Order incorporating the relevant terms and conditions.

SURPLUS AND OBSOLETE GOODS

(1) The CEO may dispose all Goods for which the library no longer has use and may use any method for disposal in the Board's best interests, including without limitation, transfer to a City Department, Friends of the Library, public auction, public tender, trade, negotiated sale, gift, or by refuse collection or at the landfill.

(2) An employee who has the responsibility of declaring Goods surplus or obsolete, or for sending items to a public auction shall not bid on or personally obtain any Goods that the employee has declared as surplus.

(3) No one shall be permitted to receive surplus or obsolete Goods except by purchase at public auction, public tender, trade or negotiated sale.

(4) If it is determined that the goods have no residual value, the CEO may dispose of them in an accredited landfill site or other environmentally responsible manner.

ACCESS TO INFORMATION

The disclosure of information received relevant to the issue of Bid Solicitations of the Award of Contracts emanating from Bid Solicitations shall be made by the appropriate officers in accordance with the provisions of the Municipal Freedom of Information and Protection of Privacy Act, R.S.O 1990, as amended.

NOTWITHSTANDING

No provision of policy precludes the CEO from recommending an award to the Board where in the opinion of the CEO, it is in the best interest of the Library to do so.

RELATED POLICIES

100-01 Governance Processes Policy

100-04 Executive Limitations Policy

100-08 Signing Authority Policy

200-02 Tangible Capital Assets Policy

300-10 Business Continuity Plan Policy

PROCUREMENT POLICY & PROCEDURES

SCHEDULE "A"

To Policy 200-01 of the Sault Ste. Marie Public Library Board

EXCEPTIONS

The purchasing methods described in this policy do not apply to the following Goods and Services:

1. Petty Cash Item
2. Training and Education including:
 - (a) Registration and Tuition fees for conferences, conventions, courses and seminars
 - (b) Memberships
 - (c) Staff Development, Workshops, and Staff Relations
3. Reimbursement for Employee/Board Expenses according to Policy 200-08
4. Employer's General Expenses including:
 - (a) Payroll Deductions Remittances
 - (b) Licenses, certificates & other approvals required (Vehicle, etc.)
 - (c) Damage Claims
 - (d) Petty Cash Replenishment
5. Professional and Special Services
 - (a) Professional and skilled services provided to individuals as part of approved programs within Board Services including but not limited to medical services and counseling services.
 - (b) Group Benefits
 - (c) Legal Services if made in accordance with the delegation of authority granted within this policy.
6. Other Professional and Special Services
 - (a) Professional Services related to litigation or legal matters
 - (b) Professional Services related finances including accounting and auditing services
7. Utilities
8. Media advertising services required by the Board.

PROCUREMENT POLICY & PROCEDURES

SCHEDULE "B"

Policy 200-01 of the Sault Ste. Marie Public Library Board

PROCUREMENT METHODS

Acquisition Method	Guidelines	Rationale/Examples
Petty Cash \$100 or less	<ul style="list-style-type: none"> • Any employee authorized by the CEO may purchase 	<ul style="list-style-type: none"> • Examples: coffee for meetings, single one-time purchase of a magazine or book
Low Dollar Value Purchases Goods and Services under \$5,000	<ul style="list-style-type: none"> • No formal quotes are required • Any employee authorized by the CEO • Spending authority gives verbal approval 	<ul style="list-style-type: none"> • Lower cost goods and services require too much time and effort to get competitive quotes • Vendors tend to avoid quoting on such small items • Examples: book purchases, magazines, and other library materials intended for use by the public; minor office supplies
Informal Quotation Process Goods and Services \$5,000 to \$12,500	<ul style="list-style-type: none"> • 3 written quotes required; or • Direct Negotiation as result of Single or Sole Source • Business Administrator or Manager exercising authority delegated by the CEO 	<ul style="list-style-type: none"> • Amount and formality should reflect the dollar value • Quotes are collected to get the best value for the dollar • Examples: computer purchase or electronic database, winter maintenance contract
Request for Formal	<ul style="list-style-type: none"> • Minimum of 3 	<ul style="list-style-type: none"> • The more money

<p>Quotation Process</p> <p>Goods and Services \$12,500 to \$25,000</p>	<p>written quotes required, or</p> <ul style="list-style-type: none"> • Direct Negotiation as a result of Single or Sold Source • Requirement can be fully defined 	<p>you spend, the greater the risk involved</p> <ul style="list-style-type: none"> • Best value for the Library can be achieved by an award selection made on the basis of the Lowest Compliant Bid
<p>Request for Tender Process</p> <p>Goods and Services over \$25,000.00</p>	<ul style="list-style-type: none"> • Minimum of 3 sealed bids must be obtained whenever possible • Tenders require special processes and formats for developing, opening and evaluating the bids, bid irregularities and settling disputes • High dollar-value tender require compliance with Inter-Provincial Trade Agreements 	<ul style="list-style-type: none"> • The most formal process • Work involved reflects expenditures • Examples: janitorial contract, Integrated Library System, major renovations
<p>Direct Purchase or Information Quotation Process</p> <p>Consultative and/or Creative Services under \$10,000</p>	<ul style="list-style-type: none"> • The requirement is best described in a general performance specification using Terms of Reference for the project • Innovative solutions are sought • Written quote is obtained from one or more vendors 	<ul style="list-style-type: none"> • Examples: determining the scope of a strategic planning exercise or library space analysis to determine requirements
<p>Request for Proposal</p> <p>Consulting and/or Creative Services \$10,000 or more</p>	<ul style="list-style-type: none"> • The requirement is best described in a general performance specification using Terms of Reference for the project 	<ul style="list-style-type: none"> • Similar to the above, but a more formal process • There may be more difficulty specifying requirements because the final

	<ul style="list-style-type: none"> • Innovative solutions are sought • To achieve best value, the award will be made on an evaluation involving a combination of mandatory and desirable requirements 	<p>solution is not clear</p> <ul style="list-style-type: none"> • Examples: Branding and marketing; Capital Fundraising Campaign; assistance with strategic planning; architectural study for a new facility
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Note: Sales taxes, excise taxes, goods and service taxes and duties shall be included in determining the price of a contract for the supply of goods or services for the purpose of the relationship of the price to the procurement method utilized.

In the case of multi-year supply and/or service contracts, the preauthorized expenditure limit shall refer to the estimated annual expenditure under the contract.

PROCUREMENT POLICY AND PROCEDURES

SCHEDULE "C"

To Policy 200-01 of the Sault Ste. Marie Public Library Board

PROCEDURE FOR CONSIDERING IRREGULARITIES IN BIDS

	IRREGULARITY	RESPONSE
1.	Late Bids	Automatic rejection, not opened or read publicly and returned unopened to the bidder
2.	Unsealed Tender Envelopes	Automatic rejection
3.	Tenders received by Facsimile (FAX)	Automatic rejection
4.	Proper Tender Envelope Not Used	Acceptable if the envelope is properly sealed. Automatic rejection if the envelop is not sealed
5.	Insufficient financial security (no deposit or bid bond or insufficient deposit or bid bond)	Automatic rejection unless insufficiency is trivial or insignificant
6.	Bids not completed in ink or in type	Automatic rejection
7.	Incomplete bids (part bids – all items not bid)	Automatic rejection unless part bid specifically permitted by tender documents
8.	Illegible or obscure bids or bids which contain additions not called for, erasures, alterations, errors or irregularities of any kind	May be rejected as informal
9.	Qualified bids (bids qualified or restricted by an attached statement)	Automatic rejection
10.	Bids received on documents other than those provided by the Board	Automatic rejection
11.	Bids containing minor clerical errors	2 business days to correct and initial errors
12.	Execution of Agreements to Bond – Bonding company corporate seal or signature missing from agreement to bond	Automatic rejection

13.	<p>Execution of Bid Bonds</p> <p>(a) Corporate seal or signature of the bidder, or both, missing</p> <p>(b) Corporate seal or signature of bonding company missing</p>	<p>2 business days to correct</p> <p>Automatic rejection</p>
14.	<p>Other Bid Security – Uncertified Cheques</p>	<p>Automatic rejection</p>
15.	<p>Tender Documents – Execution</p> <p>(a) Corporate seal missing but signature present</p> <p>(b) Corporate seal and signature missing</p> <p>(c) Corporate seal affixed but signature missing</p>	<p>2 business days to affix</p> <p>Automatic rejection</p> <p>Automatic rejection</p>
16.	<p>Erasures, Overwriting or Strike-Outs which are not initialed</p> <p>(a) Uninitialed changes to the tender documents which are minor (example: the tenderer’s address is amended by over-writing but not initialed)</p> <p>(b) Unit prices in the Schedule of Prices have been changed but not initialed</p> <p>(c) Other mathematical errors which are not consistent with the unit prices</p>	<p>2 business days to initial</p> <p>2 business days to initial</p> <p>2 business days to initial corrections to be made by department</p>
17.	<p>Failure to attend mandatory pre-submission meeting or visit</p>	<p>Automatic rejection</p>
18.	<p>Tender documents which suggest that the tenderer has made a major mistake in calculations of tender</p>	<p>Consultation with the Board Chairperson on a case by case basis</p>