

Toronto Zoo Purchasing Policy Updates

Date: February 14, 2025
To: Board of Management of the Toronto Zoo
From: Director, Finance, Technology, and Innovation
Wards: All

SUMMARY

This report recommends updates to the Toronto Zoo's procurement policies to modernize processes and purchasing thresholds to better align with business needs and cost escalations. It also establishes new policy commitments related to supply chain integrity and diversity, workforce development, and contribution arrangements with community, academic and industry partners.

RECOMMENDATIONS

The Director, Finance, Technology and Innovation recommends that:

1. The Board of Management of the Toronto Zoo adopt the updates to the Toronto Zoo's Procurement Policy as set out in Attachment 2;
2. The Board of Management adopt the Toronto Zoo Social Procurement Policy, as set out in Attachment 3; and
3. The Board of Management adopt the Toronto Zoo Contribution Agreement Policy, as set out in Attachment 4.

FINANCIAL IMPACT

With the adoption of the Social Procurement Policy in Recommendation 2, there is a cost associated with acquiring diverse supplier lists from relevant certifying agencies. It is expected that the supplier lists will be required from up to five certification agencies at an estimated total annual cost of \$20,000. Toronto Zoo staff are currently assessing which certification lists to acquire and based on the number and range of certifying bodies, may need to phase implementation through 2025 and 2026. Offsets will be sought within the operating budget for any costs incurred in 2025. The full cost of

acquiring all diverse supplier lists will be built into the Toronto Zoo's annual operating budget for future years.

DECISION HISTORY

The Board of Management of the Toronto Zoo previously received a report recommending revisions to the Board's [Financial Authorities By-law](#) at its meeting on March 31, 2019.

COMMENTS

The Toronto Zoo's purchasing policies have not been updated since 2019 and the purchasing thresholds establishing procurement processes have lagged relative to inflationary impacts, modernized business practices and key comparators such as the City of Toronto. As part of the modernization process, Zoo staff are also recommending the establishment of a social procurement policy in support of supply chain diversity and workforce development objectives, and a contribution agreement policy to support partnership arrangements with community, Indigenous, academic and industry partners to advance Zoo strategic priorities and support testing of emerging technologies prior to formal procurement processes. Further details on the proposed updates are described below and in the attachments to this report.

1) Updated Purchasing Protocols

Updates to purchasing thresholds denoting the appropriate procurement process are proposed to adjust for increasing costs since the last update and general alignment with City of Toronto purchasing thresholds set and adjusted in accordance with applicable trade agreements for open and competitive procurements. The proposed changes also help ensure that the Toronto Zoo has the ability to respond to business needs in a timely manner, provide value to the Zoo, and ensure fairness to vendors and business partners. The updated thresholds allow for the use of invitational bids for purchases between \$7,500 and \$133,800. Purchases above \$133,800 are subject to an open, competitive bidding process.

The updates also include clear language requiring vendors to affirm their supply chains do not involve the use of forced labour or child labour. Vendors will be required to submit a signed attestation from the head of the company to this effect.

A summary of the changes proposed to the Toronto Zoo's Procurement Protocol can be found in Attachment 1. A marked version highlighting changes to the Procurement Protocol (FIN-003) is provided in Attachment 2.

2) Toronto Zoo Social Procurement Policy

Establishment of a new Toronto Zoo Social Procurement policy (see Attachment 3) with a goal of embedding supply chain diversity and workforce development initiatives within

the Toronto Zoo's procurement processes to support inclusive economic opportunities with vendors and suppliers owned by persons from equity-deserving communities. To support supply chain diversity the policy sets out that for invitational bids below \$133,800 requiring quotes from three vendors, at least one must be from a diverse supplier when available.

A diverse supplier is defined in the policy as any business or enterprise that is certified by a Supplier Certification Organization to be:

(a) More than 51% (majority) owned, managed and controlled by persons belonging to an Indigenous, Black or Equity-deserving Community; or

(b) A social purpose enterprise whose primary purpose is to create social, environmental or cultural value and impact, and where more than 51% of the persons who are full-time equivalent employees or are participating in, or have completed, transitional employment training, experience economic disadvantage.

Upon approval of the recommendations of this report by the Board, Zoo Purchasing staff will work with relevant Supplier Certification Organizations to acquire access to lists of certified diverse suppliers. This includes, but is not limited to, Supplier Certification Organizations for Indigenous, Black, Women and 2SLGBTQ+ led businesses. Given the fees associated with acquiring the certification lists (estimated at a total cost of \$20,000 per year), acquisition may be phased to manage the cost impacts over multiple budget cycles.

The Social Procurement policy also establishes that Toronto Zoo solicitations above a minimum threshold of \$5.0 million will require Workforce Development commitments with a focus on key equity-deserving communities (e.g. youth, newcomers, Indigenous, Black and other racialized communities). This may include customized recruitment for job opportunities, training programs, and workplace-based learning and skills development.

Zoo staff will report annually to the Board on procurement results under the Social Procurement policy. This includes an assessment of the impact of the policy on supporting greater supplier diversity at the Zoo and workforce development outcomes, and any recommendations for amendments in support of social procurement objectives.

3) Contribution Agreement Policy

The Contribution Agreement Policy provides added flexibility for the Zoo to enter into arrangements with community, academic and industry partners, including Indigenous partners, for the purposes of advancing strategic and innovation goals of the Board. The policy establishes the conditions under which such arrangements can be considered including a maximum contribution value (\$100,000), maximum term (two years with allowance for extension in accordance with third party funding terms), and confirmation that, in the case of pilot or proofs-of-concept, the arrangement does not preclude or prejudice future competitive procurement processes.

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ATTACHMENTS

Attachment 1: Summary of Changes to Toronto Zoo Purchasing Protocol (FIN-003)
Attachment 2: Updates to the Toronto Zoo Purchasing Protocol
Attachment 3: Proposed Toronto Zoo Social Procurement Policy
Attachment 4: Proposed Toronto Zoo Contribution Agreement Policy