

Section: Financial

Subject: **PURCHASING PROTOCOLS**

PURPOSE

This policy is intended to:

1. Protect the interests of the Toronto Zoo, the public and any persons participating in the procurement process by providing a clear statement of how goods and services will be acquired;
2. Maintain the integrity of the procurement process by ensuring that, whenever possible, competitive methods of procurement will be used to obtain the best value for the Zoo;
3. Clearly define circumstances in which non-competitive procurements may be awarded;
4. Ensure that procurement is conducted in a manner that enables the Zoo to operate efficiently and effectively;
5. Clearly define the roles and responsibilities of those persons involved in the procurement process;
6. Outline the process for co-operative purchasing and disposing of surplus goods;
7. Have regard for the accessibility for person with disabilities to the Goods/Services and Construction purchased by the Zoo
8. Establish a Supplier Code of Conduct and Zoo staff ethical procurement standards.
9. Introduce social procurement as a desirable strategy for procurement activity which drives inclusive economic growth.
10. Facilitate alternative approaches to procurement, where appropriate, to support equity and innovation goals.

POLICY

The responsibility for procuring goods and services for the Zoo is delegated to the Supervisor, Purchasing & Supply, under the authority and direction of the Senior Financial Officer and in accordance with the limits within the Financial Authority policy, (FIN-001) as amended from time to time.

PROCEDURE

All goods and/or services required for the Zoo shall be purchased in accordance with the provisions of this policy. To ensure the goods and/or services are acquired in a consistent manner to this policy, the Supervisor, Purchasing & Supply in consultation with the Senior Financial Officer has developed prescribed procedures and guidelines in respect of any of the procurement process. This includes the procurement process within the ERP system for non-competitive or low-dollar value goods and/or services and the process to be followed in the issuing, receipt, evaluation and award of quotations, tenders, proposals, and any other submission.

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The Supervisor, Purchasing & Supply shall negotiate, or assist in negotiations with, contracts to supply goods and services, to provide operating Division/Cost Centres at the right quality and quantity, on a timely basis, as efficient as possible, and the lowest overall cost. To achieve this objective, the Supervisor, Purchasing & Supply may consolidate purchases of like or common items, analyze prices paid for goods and services within the marketplace to foster as much competition as possible.

Accessibility Standards: The rules that businesses and organizations in Ontario have to follow to identify, remove and prevent barriers to accessibility. These standards are established by the Ontario Government under the Accessibility for Ontarians with Disabilities Act.

Best Value: The optimal balance of performance and cost determined in accordance with pre-determined evaluation criteria disclosed in a solicitation for the purpose of making an award. For competitive procurements, best value is represented by the highest ranked bid which may include, for request for tenders and request for quotations, the lowest cost bid meeting technical specifications and supplier qualifications.

Bid: A submission in response to a solicitation, and includes a Request for Tender, a Quotation or a Proposal.

Chief Executive Officer: Means the CEO of the Board of Management of the Zoo.

Chief or Senior Financial Officer: means the staff member of the Zoo designated by the Board as the most senior financial management staff.

Co-Operative Purchasing: A competitive procurement process that is conducted by one public body or buying group on behalf of one or more public bodies in order to obtain the benefits of volume purchases and administrative efficiency.

Competitive Procurement: A set of procedures for developing a procurement contract through a bidding or proposal process. The intent is to solicit fair, impartial, competitive bids. Competitive Procurement can be done through open or invitational process.

Consultant: A person or entity that under an agreement, other than an employment agreement, provides expert or strategic advice and related services for consideration and decision-making.

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Consulting Service: The provision of expertise or strategic advice that is presented for consideration and decision making.

Contract: An agreement entered into by two or more parties with the intention of creating a legal obligation. It is essential to the creation of a contract that the parties intend that their agreement shall have legal consequences and be legally enforceable. The essential elements of a contract are an offer and an acceptance of that offer; the capacity of the parties to contract; consideration to support the contract; a mutual identity of consent or consensus ad idem; legality of purpose; and sufficient certainty of terms.

Credit Card: means the type of credit card issued by an authorized lending institute and all of the charges incurred are the liability of the Zoo. Require finance pre-approve to use in purchases, such as booking conferences, seminars, registrations, periodicals, etc. Under no circumstances may it be used for personal or non-Zoo related purchases.

Electronic Tendering System: A computer-based system that provides suppliers with access to information related to open competitive procurements.

Invitational Competitive Procurement: A form of competitive procurement conducted by inviting three or more qualified suppliers to submit written proposals to supply goods or services in response to the defined requirements outlined by the procuring organization.

Major Irregularity: A deviation from the requirements in a solicitation which:

- Affects the substance, as opposed to the form, of a bid response in terms of the price, quality, quantity or delivery and is material to the award; or
- Could provide a supplier who has submitted a bid with an unfair advantage over competitors; and
- May include, but is not limited to, a late submission, unclear or materially unbalanced pricing information, inadequate amount or terms of bid security, and any other matter identified as materially warranting rejection in the solicitation issued by the Zoo.

Minor Irregularity: A deviation from the requirements in a solicitation which:

- Affects the form, as opposed to the substance, of a bid response in terms of the price, quality, quantity or delivery and is not

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material to the award; and

- Could not provide a supplier who has submitted a bid with an unfair advantage over competitors; and
- Any other matter identified as being subject to clarification or rectification in the solicitation issued by the Zoo.

Open Competitive Procurement: A form of competitive procurement conducted by inviting, through an electronic tendering system, any qualified supplier to submit a written proposal to supply goods or services in response to the defined requirements outlined by the procuring organization.

Procurement: The acquisition of goods and/or services by any contractual means, including purchase, rental, lease or conditional sale.

Purchase Order: A written offer made by a purchaser to a supplier formally stating the terms and conditions of a proposed transaction.

Purchasing Procedures: The written procedures supporting the application of this policy and the procurement policies, as approved by the Senior Financial Officer in accordance with this policy.

Request for Expression of Interest (REOI): A solicitation method used to gather information on future supplier interest in an opportunity or information on supplier capabilities/qualifications, for the purpose of better planning the supplier qualification requirements of a future solicitation that may result in an award.

Request for Information (RFI): A solicitation issued to potential future suppliers to gather general supplier, service or product information. It is a purchasing procedure where suppliers are provided with a general or preliminary description of a problem or need and are requested to provide information or advice about how to better define the problem or need, or alternative solutions and costs, for the purpose of better planning the technical specification requirements of a future solicitation that may result in an award.

Request for Proposal (RFP): A solicitation issued to obtain bids or proposals where a procurement need is identified, but how it will be achieved is unknown at the outset, which allows suppliers to propose solutions or delivery methods to arrive at the desired result. The evaluation criteria to determine best value may include more than price factors and the solicitation may allow for consecutive or concurrent negotiations to be conducted with suppliers on any of the contract terms including, but not limited to, the technical specifications, commercial terms and/or prices following the process outlined in the solicitation.

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Request for Supplier Pre-Qualification (RFSQ): A solicitation that is issued to gather submission information on supplier capabilities and qualifications with the intention of qualifying a Bidder to submit or create a list of pre-qualified bidders for future selective solicitations including:

- A one-time future solicitation for selecting Consultants or general Contractors for large building construction or renovations; or
- A roster for multiple future solicitations of a predefined scope and duration.

Request for Quotation (RFQ): A process whereby the Zoo, in a formal or informal process, describes exactly what Goods and Services are needed to be purchased and may or may not be on prescribed forms and the evaluation is based solely on price and delivery.

Request for Tenders” or “RFT”: Means a formal request for prices on Goods and/or Services from vendors, where the Goods and/or Services are able to be fully defined or specified at the time of the request.

“Revenue Generating Contracts”: Means a legal agreement between the Zoo and a third party that yields a financial return for the Zoo. Revenue Generating Contracts include, but are not limited to:

- Service Revenue Contracts; and
- Profit Sharing Contracts; and
- Mixed Revenue Contracts.

Service: An intangible product that does not have a physical presence. No transfer of possession or ownership takes place when services are sold and they 1) cannot be stored or transported, 2) are instantly perishable, and 3) come into existence at the time they are bought or consumed.

Single Source: A non-competitive procurement of goods or services from a particular supplier in situations where there may be more than one supplier capable of delivering these goods or services.

Sole Source: The use of a non-competitive procurement process to acquire goods or services where there is only one available supplier for the source of the goods or services.

Total Procurement Value: The total procurement value referred to below is calculated based on the net value of the purchase (or a total purchase, within a single contract, over a set time period) before taxes and freight and valued in Canadian dollars. Reducing the overall value of procurement

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AUTHORITY

by dividing a single procurement into multiple procurements in order to circumvent competitive procurement thresholds is not acceptable.

Vendor of Record (VOR): The purpose of a VOR is to provide the Zoo with a readily available list of qualified firms. VORs are established through a publicly issued Prequalification Request or Request for Quotations or Proposals which defines the general parameters of the scope and the length of time the list will be valid.

The benefits of the program include improved pricing, simplified ordering process, monthly invoicing, and electronic payment processes.

~~The Municipal Act (2001) Part VI, Section 271, as amended states that a local board shall adopt policies with respect to its procurement of goods and services, including policies with respect to:~~

- ~~1. Types of procurement processes that shall be used;~~
- ~~2. Goals to be achieved by using each type of procurement process.~~
- ~~3. Circumstances under which each type of procurement process shall be used.~~
- ~~4. Circumstances under which a tendering process is not required.~~
- ~~5. Circumstances under which in-house bids will be encouraged as part of the tendering process.~~
- ~~6. How the integrity of each procurement process will be maintained.~~
- ~~7. How the interests of the municipality or local board, as the case may be, the public and persons participating in a procurement will be protected.~~
- ~~8. How and when the procurements will be reviewed to evaluate their effectiveness; and~~
- ~~9. Any other prescribed matter.~~

The City of Toronto Act, 2006, S.O. 2006, Ch. 11, Sch. A, at Section 212, provides that a local board (restricted definition), which includes the Toronto Zoo, shall adopt and maintain policies with respect to its procurement of goods and services.

TRADE
AGREEMENTS

Relevant trade agreements:

- Canadian Free Trade Agreement (CFTA)
- Canadian /European Union Comprehensive Economic and Trade Agreement (CETA)
- Ontario-Quebec Trade and Cooperation Agreement

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~~The above agreements are developed for internal trade within Canada and among provinces with the main objectives being to eliminate inter-provincial trade barriers and to improve the competitiveness of Canadian companies by removing preferential treatment based on location or other local considerations.~~

~~Under these agreements, our Zoo is required to provide open access to our procurement requirements above minimum threshold of \$100,000 per tender.~~

The Supervisor, Purchasing & Supply shall request for prices in compliance with By-law No. 2-2019 and the type of procurement process as outlined in this policy. Requests for prices may be written, in quotation, tender or request for proposal format, as directed by the Senior Financial Officer or officials delegated with financial signing authority, in accordance with Financial Authority policy (FIN-001). The request for pricing provides a sound basis for the preparation of a bid by the supplier and analysis of it by the purchaser and the issuance of a duly authorized purchase order or contract to be awarded for work to be performed, or goods or services to be supplied or leased, by the vendor.

No procurement of goods, services or construction shall be divided into two or more parts to avoid the application of this policy and Financial Authority policy (FIN-001) and the total project, annual requirements or total contract value shall be considered.

The Chief Executive Officer may authorize the purchase of goods or services not exceeding the cost of \$500,000 in any one instance by issue of a Zoo purchase order.

ACCESSIBILITY FOR ONTARIANS WITH DISABILITIES ACT (AODA)

This legislation places a legal obligation on the Zoo to provide accessibility for Ontarians with disabilities with respect to goods, services, facilities, accommodation, employment, building, structures, and premises ~~on or before January 1, 2014.~~

Under the AODA, the following Ontario Regulations establish the accessibility standards the Zoo is required to meet as a public service provider.

- Accessibility Standards for Customer Service (Ontario Regulation 429/07)
- Integrated Accessibility Standards (Ontario Regulation 191/11)

The Toronto Zoo is committed to creating and maintaining an accessible Zoo community under this Act. All procurement requests shall incorporate,

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	where appropriate, accessibility criteria and features when procuring or acquiring goods, services, or facilities.
<i>Litigation</i>	No quotation, tender or proposal will be accepted from any company inclusive of its subcontractor, who or which is: - Involved in or determined by the Zoo to be likely initiator of judicial or arbitral proceedings against the Zoo. - Determined by the Zoo to be in control of another person or entity to whom or which sub-clause (a) hereto applies. - Any director, officer, shareholder, or partner of any entity to which sub-clause (a) or (b) hereto applies.
<i>Vendor Performance</i>	The Zoo shall maintain records relating to Contractor Performance Evaluation to assess vendor performance as it is critical to the success of procurement projects and any poor workmanship, unnecessary contract delays and unsafe work practices or non-performance should be noted. The information shall be used to supplement a pre-qualification process, to justify an award to other than the lowest submission where it can be demonstrated that such records are part of the evaluation process and criteria or to ensure contract compliance.
<i>Supplier Disqualification</i>	Suppliers can be disqualified from participating in future procurement opportunities for any one of the following: - Failure to honour a bid; Failure to disclose a conflict of interest; Unethical bidding practices; Convicted of bid rigging; price fixing or collusion and Inadequate performance. - Process and protocol supplier for disqualification will be developed in the Procurement Procedures Manual.
<i>Request for Prices</i>	The Cost Centre Manager (the individual responsible for managing the cost centre) may request the Supervisor, Purchasing & Supply to obtain prices for goods or services required by means of written quotations or in such other manner as the Senior Financial Officer may deem advisable (By-law 2-2019).
<i>Official Point of Contact and Lobbying Prohibition</i>	All correspondence with suppliers shall be through the Supervisor, Purchasing & Supply, except in special cases where the technical details involved make it advisable to delegate authority to others. In such cases, the Supervisor, Purchasing & Supply must receive copies of all correspondence.
<i>Purchasing Specifications</i>	Cost Centre Managers (the requisitioners) are responsible for developing and providing relevant information required for the acquisition, such as specifications, terms of references, plans, drawings etc. for the purchase of

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Purchasing*

goods, services, and equipment. Product specifications, where applicable, must meet minimum standards relating to the product required (e.g. electrical needs, WHMIS, recycling content and other Zoo standards). Any changes to those standards, especially for those goods which may affect other cost centres, should be reviewed with the managers affected.

Upon receipt, requisitioners shall ensure that the goods or services meet the required specifications.

Wherever possible, products purchased for use at the Zoo shall comply with the Environmental Purchasing policy (ENV-002). The purpose of that policy is to encourage purchasing practices that are environmentally sound, to reinforce the Zoo's commitment to becoming a more sustainable operation.

The Zoo has an environmental purchasing program that promotes the use of goods and services that are environmentally sound. Environmental superiority of a product or service will be recognized based on:

- Efficient energy use
- Solid waste reduction
- Emissions reduction
- Sustainable use of natural resources

Staff must consider the "~~cradle-to-grave~~ full life cycle" impact of the product or service prior to making the purchasing decision. This entails consideration of the costs, benefits and environmental consequences relating to the extraction of raw materials, energy consumption, emissions to air and water during processing, manufacture and transport, and the use and disposal of the product.

Requisitioners are urged to opt for environmentally sound goods and services, where they are available. The Zoo will pay up to 10% more for such items in preference to items which do comply with the Environment First policy (ENV-001).

The Supervisor, Purchasing & Supply shall have full authority to question the quality, quantity and the kind of material requested, in order that the best interest of the Zoo may be served.

Social Procurement

The Toronto Zoo encourages bidding by suppliers owned and/or operated by persons from equity-deserving communities including Indigenous-led, People of Colour, 2SLGBTQ+, women, etc. In accordance with policy FIN-008, when available, at least one diverse supplier is to be included in all invitational solicitations between \$7,500 and \$133,800. Solicitations

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	<u>with an anticipated value over \$5 million (including option years) shall include workforce development opportunities.</u>
<i>Ethics and Standards</i>	Ethics and standards refer to those practices conducted with the highest level of integrity, in full compliance with the law and in conformity with generally accepted public sector purchasing practices, as well as relevant policies of the Zoo. Purchasing & Supply will adhere to the Supply Chain Management Association of Canada Code of Ethics.
<u><i>Forced Labour and Child Labour</i></u>	<u>The Toronto Zoo is committed to ensuring that its supply chains do not involve the use of forced labour or child labour. All suppliers to the Toronto Zoo will be required to provide an attestation signed by the head of the organization that their products or services have not been produced through or used supply chains involving forced labour or child labour.</u>
<i>Personal Purchases</i>	Zoo staff shall not use the Zoo as a medium to make purchases of articles for personal use. Where a supplier recognizes Zoo staff for discounted prices, staff shall not exert pressure or coercion in personal transaction to procure goods or services at prices which are not available to others (see Ethical Practices policy, ADM-002). Such purchase shall be by mutual agreement between the supplier and the staff and shall not involve any of the Zoo's resources.
<i>Declaration of Interest</i>	Any staff who is effecting a purchase and has any financial or other interests in a supplier company either directly, or indirectly through members of their immediate family, shall submit a written declaration of such financial or other interests to the Senior Financial Officer. The Senior Financial Officer - will decide whether the interest in question is of sufficient magnitude to warrant prohibiting the Supervisor, Purchasing & Supply from establishing any business relationship with that company. All purchases should follow the Supplier Code of Conduct through the revised Purchasing By-law; suppliers have an obligation to disclose conflicts of interest and potential conflicts of interest, including but not limited to: • Hiring any current or former City of Toronto staff or public office holders that have left the City of Toronto within the last 2 years. • Any family members, friends or business associates of any Public Office Holder which may have or appear to have any influence on the procurement process or contract management. • Involvement of the supplier in the development of the specifications and; • Prior access to confidential information or Procurement call documents have been modified to allow for Suppliers to make this disclosure.

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Further, follow City of Toronto Purchasing Materials and Management Division (PMMD) to develop a clearer procedure for Evaluation Teams, requiring all staff involved in the preparation of call documents to sign a conflict-of-interest declaration.

Samples

Staff who perform purchasing functions, or are associated with the purchasing function, shall courteously refuse offers of gifts, either in kind or of money, from a vendor or a potential vendor. Gifts would include any items offered to the staff or the immediate family of the staff. (see Ethical Practices policy, ADM-002).

ROLE OF SENIOR FINANCIAL OFFICER

The Senior Financial Officer shall have the authority and responsibility, subject to Board policies, for the following:

- Approving and prescribing purchasing procedures not specifically provided for in this policy or the purchasing procedures, in consultation with the Chief Executive Officer and the City Solicitor;
- Coordinating solicitations on behalf of the Zoo, except for:
 - Procurements with a value not exceeding the divisional purchase limit, undertaken by divisions in compliance with this policy, the purchasing procedures and Financial Authority policy (FIN-001);
 - Non-competitive contracts to procure goods and services in an emergency that would not reasonably permit a competitive solicitation; or
 - Those goods and services listed in (By-law 2-2019).
- Determining the appropriate form and method of solicitation by which all goods and services shall be procured on behalf of the Zoo including, without limitation, by electronic methods;
- Establishing templates for common or repetitive solicitations;
- Administering solicitations, including advertising of notices, up to finalization of an agreement, including:
 - Receipt, custody and security of all submissions and specified evaluation documentation;
 - Submissions made by suppliers that have been suspended from bidding, or that are otherwise in contravention of this policy or any Board policy regarding supplier eligibility and conduct;
 - Assessing compliance with mandatory requirements by

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determining whether irregularities are major or minor and rejecting submissions with major irregularities;

- Overseeing the evaluation of submissions;
- Communicating with suppliers after issuance of a solicitation up to the finalization of an award; and

Otherwise managing the remainder of the process through award and final contract execution or purchase order issuance:

- Compiling and maintaining a collection of all policies adopted by the Board from time to time affecting purchasing procedures;
- Providing information to suppliers in relation to this policy, purchasing procedures, and related templates, tools, systems and practices;
- Providing relevant training for any staff responsible for, or involved in, purchasing procedures;
- Providing professional advice and guidance, including strategic advice in relation to planning an appropriate solicitation method and developing rated or other relevant evaluation criteria or related supplier performance and contract implementation;
- Providing advice and support to the Chief Executive Office and Board;
- Reporting to suppliers and the public on the award of each procurement valued over \$100,000, including any essential information as may be prescribed;
- Maintaining and publishing a list of suspended or ineligible suppliers;
- Generally monitoring, supervising and reporting to the Chief Executive Officer, as required from time to time, on the purchasing process;
- Undertaking a comprehensive review of this policy and all policies affecting the purchasing procedures every five years; and
- Delegating to any or all Directors any aspect of the purchasing procedures as the Senior Financial Officer may deem reasonable.

**PROCUREMENT
PROCEDURE**

Before initiating sourcing and the acquisition of goods and services, the Supervisor, Purchasing & Supply must receive an authorized electronic purchase requisition generated within the Zoo's ERP system, approved by an official with requisition authority, in accordance with the Financial Authority policy (FIN-001). The requisition shall contain a detailed description of all items and the names of known suppliers, the quantity and the expected delivery date for goods or services. The requisitioner is

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(\$350 or less)*

responsible for the preparation of detailed specifications of items required. The Supervisor, Purchasing & Supply may confirm the accuracy and completeness of information received on the requisition before issuing a quotation request.

Requests for prices may be written, in quotation, tender or request for proposal format, as directed by the Senior Financial Officer or officials delegated with financial signing authority, in accordance with Financial Authority policy (FIN-001)

The procedures and guidelines will be reviewed and updated on a periodic basis by the Supervisor, Purchasing & Supply in consultation with the Senior Financial Officer and Manager, Finance and communicated to staff and where applicable, to the public.

The Supervisor, Purchasing & Supply shall generally define how to obtain savings by seeking the maximum value for each dollar of expenditure, coordinate purchasing procedures and ensure buying without prejudice.

Items of \$350, or less, may be purchased in accordance with the Petty Cash policy (FIN-002). In lieu of petty cash, the same acquisition may be acquired with the Zoo credit card in accordance with the Credit Card policy (FIN-006).

- The Division/Cost Centre must submit a properly authorized purchase requisition in Workplace (ERP system), or any other system, periodically put in place by the Zoo.

*Non-competitive
(Goods/Services
Purchase \$350-\$5,000;
Projects, Consulting,
Facilities Equipment &
Construction Purchase
\$350- \$7,500)*

Divisional Purchase is an informal process to obtain comparative information and pricing from Suppliers known to be capable of providing the goods or services desired and to ensure a minimal element of competition in the process.

The Division/Cost Centre shall request one (1) written price quotations for purchase requisitions of \$350 - \$7,500 or less in value, where possible by email, facsimile or other similar method, before a purchase order is issued for purchases relating to Projects, Consulting or Construction. ~~For all other purchases of general goods and services, this threshold is lowered to \$5,000.~~

*Informal Quotations
(Goods/Services
Purchases \$5,000-
\$10,000; Project,
Consulting &
Construction Purchases
\$7,500-\$20,000)*

~~The Supervisor, Purchasing & Supply shall obtain at least three (3) written price quotations for general goods and services over \$5,000 but less than \$10,000, by written invitation to qualified bidders. For projects, consulting, or construction over \$7,500 but less than \$20,000, at least three (3) price quotations shall be obtained by written invitation to qualified bidders. If there is only one bidder of a particular good or service, this fact must be noted on the purchase requisition.~~

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Requests for Quotations (RFQ) (Goods/Services Purchases-\$10,000-\$25,000; Project, Consulting & Construction Purchases \$20,000, 500-\$50,133, 8000)

A quotation request provides information of work to be performed, or goods or services to be supplied, if a contract is awarded to a supplier. It provides a sound basis for the preparation of a bid by the supplier and analysis of it by the purchaser. The Supervisor, Purchasing & Supply shall request quotations for prices in compliance with By-law 2-2019.

The Supervisor, Purchasing & Supply shall request bids for ~~general goods and services~~ all purchases over \$407,5000 ~~but less than up to~~ \$25133,8000, by written invitation to a minimum of three (3) qualified suppliers. ~~For projects, consulting, or construction over \$250,000 but less than \$50133,8000, bids shall be requested by written invitation to qualified suppliers. If there is only one bidder of a particular good or service, this fact must be noted on the purchase requisition.~~

Request for Tender (RFT)-(Goods/Services Over \$25,000; Project, Consulting & Construction Over \$50,000 133,800)

Purchases for general goods and services over \$25,000 133,800 or projects, consulting, or construction over \$50,000 133,800 will be offered for public tender, which may necessitate notification or advertising in a national recognized newspaper for the required goods or services. If the Senior Financial Officer is of the opinion that advertising is necessary to secure the lowest price, requests for tender shall be advertised by publication by such means as the Senior Financial Officer may deem appropriate. The requisitioner is responsible for preparing detailed specifications for the items required. The Supervisor, Purchasing & Supply shall compile the information in the pre-determined tender format.

Requests for Proposal (RFP)

A Request for Proposal (RFP) may be used:

- For bidders to describe how their services, methods, equipment, or products which can address and/or meet specific needs of the Zoo.
- Innovative solutions or alternative methods are sought.

Expression of Interest (EOI) or Request for Interest (RFI)

To achieve best value, the award selection will be made on an evaluated point per item or other method involving a combination of mandatory and desirable requirements. Purchasing and Supply shall maintain a list of suggested evaluation criteria for assistance in formulating an evaluation scheme using a Request for Proposal. This may include, but is not limited to, factors such as qualification and experience, strategy, approach, methodology, facilities, equipment, and cost.

Requests for Information/Expression of Interest shall be issued to obtain information about goods or services prior to the issuance, if necessary, of tenders, quotation, or proposals. This sourcing method is used when an entity requires new or additional information concerning:

- Type of product or service.
- Suppliers offer; or

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BIDDING***Sole Source and
Negotiation*

- Availability of specific types of products or services in the marketplace.

In certain instances competitive bids will not be requested and the Supervisor, Purchasing & Supply will enter into negotiations to ensure the most beneficial contract terms. The following outlines situations whereby a sole source or negotiation may be used in lieu of competitive bids:

- No alternative or substitute exists that meet specific or unique technical or research requirements.
- To ensure compatibility, recognize exclusive rights or maintain specialized products.
- No bids were received in response to an invitation bid.
- An unforeseeable urgency exists.
- The subject matter of the procurements is of a confidential or privileged nature.
- To honor guarantees or warranties
- To procure a prototype
- To fulfill lease requirements
- To make an award in the design contest
- For the purchase of goods, under exceptionally advantageous circumstance such as bankruptcy or receivership, but not for routine purchases
- To purchase real property, subscriptions, or original works of art
- Tendering would interfere with security, order, or protection of human, animal or health.
- The subject matter of the procurement is financed by an international cooperation organization.

A Sole & Single Sourced Exception/Negotiation form must be completed as an exception to the policy and approved by Division Head responsible with final approval by the Senior Financial Officer.

Emergencies

An emergency is a specific situation requiring the immediate procurement of supplies or services essential to prevent delays in the work of a unit, and which may affect the health and safety of the public, staff, or the collection, requiring a transaction to be made quickly such that the user cannot apply all the provisions of the purchasing policies. A Division Head, or Duty Director may authorize the purchase directly from the supplier, in the place of the Supervisor, Purchasing & Supply.

Immediately following the purchase, the purchaser shall submit an authorized electronic purchase requisition, invoice or receiving voucher,

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EXCLUSIONS
FROM
COMPETITIVE BID
PROCESS**

and attach a written report of the circumstances explaining the transaction to the Senior Financial Officer. The invoice should indicate that the goods or services received were in satisfactory condition.

This does not include those situations where a purchase order number is obtained from the Purchasing & Supply Unit, after the Supervisor, Purchasing & Supply, is satisfied that the purchase is legitimate and that a requisition is to follow immediately thereafter.

Competitive bids shall not be required for goods or services provided by any of the following when such goods or services are not available elsewhere, including but not limited to:

- Utilities - Electricity, Natural Gas, Water & Sewer.
- Government agencies, municipal or Crown corporation.
- Travelling.
- Training & Education - Membership fees, conferences, seminars.
- Advertising - magazines, trade journals
- Memberships, subscriptions.
- Medical exams.
- Insurance claims.
- Services that, under applicable law, may only be provided by Licensed Lawyers or Notaries.
- Services of expert or factual witnesses used in Court or legal proceedings.
- In-house services and any other goods or services as approved by the Board.

Contribution Agreements between the Toronto Zoo and other specific parties are subject to the Zoo's Policy FIN-009 instead of the Purchasing Protocol (FIN-003).

**CONTRACTUAL
AGREEMENT***Purchase Order*

The award of contract with the vendor may be awarded by way a formal agreement or purchase order.

A purchase order is a legal contract with the supplier, authorizing the supplier to ship and charge for the goods according to the terms and conditions documented in the purchase order. It is the Zoo's commitment for the value of the goods ordered. The purchase order must be clearly and precisely written to cover the essential elements of the purchase in order to minimize misunderstandings and the necessity for additional correspondence.

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Goods or services shall only be obtained by purchase order or petty cash in accordance with By-law 2-2019, except in cases of emergency. Vendors are advised to accept orders only after a purchase order has been assigned to the order. Purchase orders for goods and services shall be issued only through the Purchasing & Supply Unit, after approvals have been received and the proper procedures have been satisfied.

A formal contract agreement is used instead of a purchase order when the purchase amount excluding taxes freight and duty exceeds \$100,000. In such cases, the terms and conditions are as detailed in the contract. For any construction related purchases, an agreement will be signed in accordance with the Construction Act.

Authorization Limit

Division Heads and Branch (Cost Centre) Managers/Supervisors may authorize purchases of items within the constraints of appropriations within their area of responsibility, in accordance with the Financial Authority policy (FIN-001) and By-law 2-2019.

Blanket Orders

Blanket Orders are issued for specific periods with fixed prices and have a specific monetary value.

The Supervisor, Purchasing & Supply, may, on authorization by the Senior Financial Officer or Manager, Finance issue blanket orders for items which are repetitively ordered from the same suppliers, if such orders minimize administrative costs and/or result in discounts for volume buying.

The Supervisor, Purchasing & Supply shall co-ordinate the deliveries of goods and services with the requisition requester and supplier.

Segregation of Duties

To maintain effective internal control, the delegation of authority and segregation of duties across the various procurement functions, departments should prevent any one person from controlling an entire purchasing transaction. The typical procurement cycle includes five major roles. The following table illustrates these roles and the key components of that role.

In order to maintain appropriate segregation of duties, three of the five functions should be completed by different individuals. In circumstances where it is not feasible as in the case of small units, adequate compensating controls may be acceptable, e.g. regular transaction review of financial reports by department budget authority after the fact.

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Procurement Roles	Task	Who
Requisition	Authorize the budget unit to place an order	Department budget authority, research principle investigator or authorized delegate
Budget	Ensure that funding is available to cover the cost of the order	Department budget authority, research principle investigator or authorized delegate
Commitment	Authorize the release of the order to the supplier under agreed terms	Purchasing & Supply
Receipt	Receive the order physically and verify the order is correct and complete	Department individual receiving the goods or confirming services have been provided
Payment	Approve invoices and authorize release of payment to the supplier	Departmental budget authority, Accounts Payable Unit in Finance & Technology

Returns

Damaged or incorrect goods shall be reported to the Supervisor, Purchasing & Supply who will relay the information to the supplier. Since the Supervisor, Purchasing & Supply is the Zoo's main contact with suppliers, Stores personnel or requisition requesters must report all discrepancies promptly to the Supervisor, Purchasing & Supply to arrange for the return of the goods and request for a replacement or exchange. If items are not replaced, the Supervisor, Purchasing & Supply shall notify the Accounts Payable Clerk to adjust the purchase order to reflect the change in the status of the order by forwarding a copy of the 'Return of Goods Form'. The Supervisor, Purchasing & Supply shall be responsible for completing the Return of Goods Form and co-ordinating the return or exchange of goods.

POLICY REVIEW

This policy and all related procedures shall be reviewed every three years, or earlier, as deemed necessary.

REFERENCES

- ADM-002 (Ethical Practices)
- ENV-001 (Environment First)
- ENV-002 (Environmental Purchasing)

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- FIN-001 (Financial Authority)
 - FIN-002 (Petty Cash)
 - FIN-006 (Toronto Zoo Credit Cards)
 - Toronto Zoo By-law 2-2019 (Financial Authorities)