



POLICY

Policy Area: Finance	Subject: Procurement
Title of Policy: Procurement	Policy Number: 2.6
Approved Date: May 17, 2021	
Effective Date: May 17, 2021	Revision Date:
<p>1. Rationale or background, including Constitution/ByLaws references:</p> <ul style="list-style-type: none"> 1.1. To ensure accountability and responsible fiduciary management. 1.2. Procurement of services must comply with best practices and the policies of the CSBA. <p>2. Policy Statement:</p> <ul style="list-style-type: none"> 2.1. CSBA will ensure ethical, professional and accountable purchasing and procurement practices. 2.2. CSBA shall clearly articulate its priorities, belief system, mandate and vision in all procurement activities, in particular the preference to do business with diverse and inclusive organizations that foster the development of minority businesses. 2.3. CSBA will make procurement decisions in compliance with Conflict of Interest protocols. 2.4. CSBA will ensure that procurement processes are clearly articulated, specifically authorization and spending authority. 2.5. CSBA will ensure that confidential information is safeguarded. 2.6. CSBA complies with Canadian law and regulatory requirements, including Guidelines from the Canada Revenue Agency https://www.canada.ca/en/revenue-agency/corporate/about-canada-revenue-agency-cra/procurement-cra/procurement-policy.html and policies of the CSBA. <p>3. Definitions:</p> <ul style="list-style-type: none"> 3.1. “Procurement” refers to the work of identifying the need for goods and services and ensuring that the goods and services are procured responsibly, ensuring the service meets the needs of the organization, represents the best value available, and is readily available. 3.2. Goods and services refers to any materials, equipment, or services including but not limited to the following: office supplies; equipment; insurance; and professional and consulting services. 3.3. Request for Proposal (RFP) - An invitation to one or more suppliers to propose a solution to a problem, requirement, or objective. Suppliers are invited to provide detailed proposals in response to defined criteria for goods or services that will 	

- help the board resolve the problem or meet a requirement or organizational objective. Negotiations with vendors may be required to finalize the requirements.
- 3.4. **Request for Quotation (RFQ)** An invitation to three or more suppliers to submit a bid for providing goods and/or services. An RFQ involves only minimum specifications and is usually awarded to the lowest qualified bidder.
 - 3.5. **Request for Tender (RFT)** A formal written request for price submissions, normally accompanied by generic descriptions, performance specifications, and specific terms and conditions of supply.
 - 3.6. **Standing Offer** - A contract establishing firm preferred pricing to provide goods or services that are typically required by the CSBA. The term (length of contract) of the standing offer can vary and must be clearly defined in the documents. Extensions to Standing Offers are at the discretion of the Executive Committee.
 - 3.7. **Sole Source** : A situation where there is only one available supplier of a required product or service that meets the requirement of the board or in an emergency situation the supplier is the only one available in a timely manner. Emergencies are defined as circumstances or situations beyond anyone's control that could affect the health, life, or safety of personnel, or result in undue financial losses.

4. Procedures:

- 4.1. All procurement is subject to sufficient funds being available for that purpose within the approved budget or with approval, as outlined in Articles 5 and 6 of this policy.
- 4.2. This policy is not applicable to those procurement activities already covered within the budget, CSBA policies or signed contracts.
- 4.3. Procurement of goods and services will usually be achieved through one of the following procurement methods : Request for Proposal (RFP); Request for Quotation (RFQ;) Request for Tender (RFT); Standing Offer.
- 4.4. From time to time, **Sole Source** procurement may be used to acquire specific goods and services. If Sole Sourcing is used for emergencies, the emergency must be reported as soon as possible to the Executive Committee, who will inform the Board immediately after notification.
- 4.5. Splitting or dividing the purchase of goods or services to avoid exceeding the authorized threshold limit is prohibited (See **Purchasing and Procurement Thresholds** below.)
- 4.6. Once a procurement process is completed, if it results in a decision that exceeds one's authority, the information must be provided to the next level of authority for decision-making.
- 4.7. Organizations and individuals engaged in activities that support ethical purchasing practices and materials management will be sought out.
- 4.8. The Finance Committee will report annually on the implementation of this policy, procurement activities and any recommendations for improving the procurement policy and procedures.

5. Purchasing Thresholds:

Authority for expenditures as outlined in Policy 2.4; Article 4:

Threshold	Authority
\$5,000 or less included in approved budget	Executive Director
<i>\$5001 or more within the approved budget</i>	Executive Committee
Over \$5,000 not included in approved budget	Board of Directors

6. Procurement Thresholds:

Threshold	Authority
Subcontracted services included in CSBA Executive Director’s contract and within approved budget.	Executive Director
Procured contracts up to \$25,000	Sole source, standing offer, or RFQ approved by the Executive Committee, Standing Committee or Work Team for recommendation to the Board for approval.
Procured contracts \$25,001 and over	RFP or RFQ approved by the Board.
Audit Services (Policy 2.2)	RFP or RFQ approved by the Finance Committee for recommendation to the Board.
Accounting Services (Policy 2.1 Article 3.5)	Sole source, standing offer, or RFQ approved by the Finance Committee for recommendation to the Board for approval.

As per Policy 2.3, Article 3.4 All financial and legal documents must be approved by any two of the three authorized signatories.

