

Policy	Procurement
Section	Board of Health
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Policy Lead	Board of Health
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Associated HKNP Procedures and Forms	

POLICY

PURPOSE

The purpose of the procurement policy is to ensure accountability and define a clear and effective process for undertaking competitive bidding processes to obtain Goods and Services for the Haliburton Kawartha Northumberland Peterborough (HKNP) Health Unit.

DEFINITIONS

Agreement: The formal written document that will be entered into at the end of the procurement process.

Approval Authority: The authority delegated by the Health Unit to a person designated to occupy a position to approve on its behalf one or more procurement functions.

Award: the notification to a proponent of acceptance of a proposal or quotation that brings a contract into existence.

Bid: A proposal or quotation submitted in response to a solicitation from a contracting authority.

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.

Conflict of Interest: A situation in which financial or other personal considerations have the potential to compromise or bias professional judgment and objectivity. An apparent conflict of interest is one in which a reasonable person would think that the professional's judgment is likely to be compromised.

Contract: An obligation, such as an accepted offer, between competent parties upon a legal consideration, to do or abstain from doing some act. 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.

Evaluation Criteria: A benchmark, standard or yardstick against which accomplishment, conformance, performance and suitability of an individual, alternative, activity, product or plan is measured to select the best Supplier through a competitive process. Criteria may be qualitative or quantitative in nature.

Goods: Moveable property (including the costs of installing, operating, maintaining or manufacturing such moveable property) including raw materials, products, equipment and other physical objects of every kind and description whether in solid, liquid, gaseous or electronic form, unless they are procured as part of a general construction contract.

Goods and Services/Goods or Services: All Goods and Services including construction, consulting services and information technology.

Offer: A promise or a proposal made by one party to another, intending the same to create a legal relationship upon the acceptance of the offer by the other party.

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

Request for Proposal (RFP): A document used to request Suppliers to supply solutions for the delivery of goods or services, or to provide alternative options or solutions. It is a process that uses predefined evaluation criteria in which price is not the only factor.

Request for Tender (RFT): A document used to request Suppliers to supply a defined quantity and quality of goods and services, labour, maintenance, renovation and/or construction, with all the material terms, conditions and specifications pre-set. The specific goal of a tender is to accept the lowest submissions meeting the requirements specified in the competition.

Supplier/Vendor: Any person or organization that, based on an assessment of that person's or organization's financial, technical and commercial capacity, capable of fulfilling the requirements of procurement.

POLICY STATEMENT

The Health Unit has an obligation to ensure that the publicly funded Goods and Services it obtains are acquired by the Health Unit through a process that is open, fair, and transparent and that best supports the mission and strategic goals of the organization. The Health Unit encourages competition among vendors to obtain the highest quality Goods and Services and maintaining standardization of the procurement process.

POLICY DETAILS

1. PRINCIPLES

The following principles support the Health Unit in achieving value for money in an open, fair and transparent manner:

- **Accountability:** The Health Unit will be accountable for the results of its procurement decisions and the appropriateness of the processes.
- **Sustainability:** The Health Unit will consider environmental impacts in its procurement decisions.
- **Support Local/Domestic Suppliers:** The Health Unit will prioritize local and/or Canadian products and services where feasible.
- **Transparency:** The Health Unit will be transparent to all stakeholders. Wherever possible, stakeholders must have equal access to information on procurement opportunities, processes and results.
- **Value for Money:** The Health Unit will maximize the value it receives from the use of public funds. A value-for-money approach aims to deliver Goods and Services at the optimum total lifecycle cost. Value should be considered a qualitative and quantitative assessment.
- **Quality Service Delivery:** Front-line services provided by the Health Unit, must receive the right product, at the right time, in the right place.

2. ETHICS AND CONFLICT OF INTEREST

- a. There will be open and honest dealings with everyone who is involved in the procurement process to the greatest extent possible.
- b. Any Award and Contracting Procurement shall be fair and impartial.
- c. A high standard of personal integrity is required on the part of all those designated as procurement representatives of the Health Unit.
- d. Directors, Officers, Employees and their direct family (spouses, children, and parents) shall not bid upon any procurement with the Health Unit or enter into a

contract or act as a Supplier of have a direct or indirect or other material interests in any other contract unless such interest has been disclosed in advance to the Medical Officer of Health/Chief Executive Officer (MOH/CEO).

3. SUPPLIERS

- a. Suppliers shall not threaten, intimidate, harass, or interfere with any staff with an attempt to collude with or prevent any other prospective Supplier to bid for a contract or prevent any contract to be awarded by the Health Unit. No Supplier or potential Supplier shall offer gifts, favours, or inducements of any material kind to any employees or Board Members of the Health Unit.
- b. Suppliers must demonstrate integrity and alignment with the values established by the Board of Health and assure a record of compliance with legislation and fair business practice principles.

4. LOBBYING

Lobbying by any Supplier of any person including of any member of the Board of Health who is not directly involved in the procurement process including the MOH/CEO, is strictly prohibited. Any violation of the above provisions relating to Suppliers may result in the Supplier being disqualified from any procurement process in respect of which this activity has occurred or any future procurement processes.

5. LITIGATION DISQUALIFICATION

The Health Unit reserves the right to disqualify from participation in any present or future procurement processes any person or Supplier or potential bidder who is involved in litigation or other legal or arbitrary proceedings against the Health Unit has currently or in the past or is involved in any such litigation or proceedings against any municipality which appoints a member of the Board of Health of the Health Unit or is serviced by the Health Unit at the sole option and discretion of the Health Unit to be exercised by the MOH/CEO.

6. HEALTH AND SAFETY/WSIB

Any Suppliers providing Goods and Services to the Health Unit shall comply with, and be held accountable for, meeting the requirements of the *Occupational Health and Safety Act*, as well as any health and safety policies of the Health Unit. Any Supplier shall, regardless of the dollar value of the work, supply the Health Unit with a valid Certificate of Clearance prior to any work commencing and throughout the term of the contract if required under the purchasing process for the type of Goods and Services being supplied.

7. ROLES AND RESPONSIBILITIES

- **Business Administrator (BA):** The BA is the administrator of the Board of Health as defined by the Ministry of Health. The BA is a Director within the Senior Leadership Team of the organization primarily responsible for the Health Unit's finances and shall be responsible for the operations of the procurement process including compliance with this procurement policy and supervision of any and all procurement processes.
- **MOH/CEO:** The MOH/CEO shall supervise the BA and shall make decisions with respect to those specific procurement decisions including risks and contract rewards as set out below depending on the thresholds for such procurement decisions.
- **Board of Health:** Board approval shall be required for major procurement decisions in accordance with the thresholds for decision making set out in this policy.

8. CANADIAN FREE TRADE AGREEMENT

The Canadian Free Trade Agreement applies with respect to contracts over a certain level effected by such procurement process and all such procurement shall be made in compliance with the Canadian Free Trade Agreement.

9. PURCHASING THRESHOLDS

This describes the type of purchaser, thresholds and authorizations required.

Total Procurement Value	Method of Procurement	Authorization Required
\$0 up to 2,500.00	Informal Request for Quotation recommended.	Program Manager or Director
Over \$2,500 up to \$5,000.00	Minimum of two quotations to be obtained. (Subject to availability)	Program Manager or Director
Over \$5,000 up to \$50,000.00	Minimum of three written quotations to be obtained. (Subject to availability)	Director
Over \$50,000.00 - \$100,000.00	Competitive Procurement Process (Request for Proposal/Request for Tenders)	BA accountable for procurement process; MOH/CEO authorizes (or designate, who is a Signing Officer, who has prior, written,

Total Procurement Value	Method of Procurement	Authorization Required
		explicit approval from the MOH/CEO).
Over \$100,000.00	Competitive Procurement Process (Request for Proposal/Request for Tenders)	BA accountable for procurement process; MOH/CEO (or designate who is a Signing Officer, who has prior, written, explicit approval from the MOH/CEO) and Board of Health Chair or Vice-Chair authorizes.

10. PROCUREMENT PROCESS

The Health Unit will conduct procurement activities according to all applicable federal and provincial legislation and organizational policies and procedures.

- a. Controls: The BA will develop and maintain financial management policies and procedures for MOH/CEO approval that include:
 - Authority and process for approvals, consistent with Board Policy;
 - Submission request and approval processes that ensures purchases align with previously approved budgets and appropriate authorization (dual sign-off);
 - Guidance for standardization of goods and services where applicable;
 - Transparency of procurement processes and decision-making;
 - Compliance with Broader Public Sector Procurement Directives, as current; and
 - Effective and protective service agreements approved according to Signing Authority By-Law with appropriate guidance for service performance management.
- b. Exceptions to Standard Practice and Sole/Single Source: In certain circumstances a non-standard procurement process may be required or desired, including but not limited to expressions of interest and single or sole source purchases. Approvals for these will comply with the operational procedure approved by the MOH/CEO and by the individuals with designated authority as defined for procurement within this policy.
- c. Cooperative Purchasing: The BA, with approval of the MOH/CEO, may enter into arrangements with other Health Units, Ministry Agencies, or public service cooperatives for the purchase of goods and services where there is economic or other advantages to doing so.

- d. Excluded Contracts: Services excluded from this policy include: rental or acquisition of land, utilities, settlement of insurance claims, professional services (legal, financial), reimbursement of expenses to employees and subscription services and licensing fees.

11. COMPLAINT PROCESS

Any complaint with regards to the Procurement Policy or related to an award of tender, proposal or quotation shall be submitted in writing to the Business Administrator within fourteen (14) days of award.

RELATED HKNP DOCUMENTS

By-Law 4 – Duties of Officers and Management of Board of Health

VERSION HISTORY

DATE	LEAD	DESCRIPTION
2025-APR-16	A. Gorizzan	Original