

**CANCER CARE ONTARIO**

**PROCUREMENT  
POLICY**

**September 1, 2015**

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# **POLICY: PROCUREMENT**

## **1 PURPOSE**

The purpose of this Policy is to:

- (i) ensure that Cancer Care Ontario (CCO) acquires goods and services (including Consulting Services and Information Technology) through a process that is fair, open, transparent, geographically neutral and accessible to qualified vendors and consistent with the provisions set forth in the *Ontario Public Service (OPS) Procurement Directive* applicable to CCO as an “Other Included Entity” as defined therein;
- (ii) enable CCO to acquire goods and services in an economical, timely and efficient manner to meet its business requirements;
- (iii) contribute to a reduction in CCO’s purchasing costs;
- (iv) ensure consistency in the management of CCO’s Procurement related processes and decisions; and
- (v) specify the responsibilities of the Board, senior management and business units within CCO throughout each stage of the Procurement process.

## **2 PRINCIPLES**

The objective of this Policy is to ensure that CCO acquires the goods and services required to meet its business needs in the most economical and efficient manner, through Procurement processes that conform to the following principles:

### **2.1 Vendor Access, Transparency, and Fairness:**

- (i) The Procurement process must be conducted in a fair and transparent manner, providing equal treatment to qualified vendors.
- (ii) Conflicts of interest, whether real or perceived, must be avoided during the Procurement process and the ensuing Agreement. Such conflicts of interest shall be managed in accordance with applicable law, the provisions of this Policy and other relevant CCO policies.
- (iii) Relationships must not be created which result in continuous reliance on a particular vendor for a particular kind of work.

**2.2 Value for Money:** Goods and services must be acquired only after consideration of CCO’s business requirements, alternatives, timing, supply strategy and Procurement methods.

**2.3 Responsible Management:** Goods/services procured by CCO must be responsibly and effectively managed through CCO’s organizational structures, systems, policies, processes and procedures.

**2.4 Geographic Neutrality and Reciprocal Non-Discrimination:** Vendors must be able to compete for business in a geographically neutral environment.

### 3 **APPLICATION**

- 3.1 CCO is classified as an “Other Included Entity” for the purposes of the *OPS Procurement Directive*.
- 3.2 This Policy applies to all Procurements conducted by CCO, unless otherwise provided for in this Policy.
- 3.3 This Policy does not apply to the Procurement of advertising, public and media relations, or creative communications services. Procurement of such services is governed by CCO’s *Procurement of Advertising, Public and Media Relations and Creative Communications Services Guidelines*.
- 3.4 For the acquisition, management and disposition of realty (including real property) CCO must comply with the MBC Realty Directive and the Ministry of Infrastructure (MOI) Realty Policy.
- 3.5 This Policy does not apply to:
- a) Transfer Payments;
  - b) Data sharing agreements; and
  - c) Education courses that are industry conferences, courses and seminars that are not customized specifically for CCO staff.
- 3.6 Unless otherwise defined in the body of this Policy, capitalized terms used shall have the meaning specified in Appendix 1.
- 3.7 Procurements may be subject to related policies, directives and forms, as listed in Appendix 2.

### 4 **SEPARATION OF DUTIES / RESPONSIBILITIES**

- 4.1 In the Procurement process, the two key roles belong to:
- 4.1.1 The ABU who has the need for and makes the business case to obtain the necessary approval to initiate a procurement and gives the final approval to the recommended choice of supplier, if any.
  - 4.1.2 The CCO Strategic Sourcing Office who fulfills the Procurement role and is responsible for ensuring that the Procurement process fully complies with this Policy and related procedures and that the Procurement process is adequately documented, a purchase order is issued and that documentation is properly retained for record-keeping and auditing purposes.
- 4.2 While the roles of the ABU and the CCO Strategic Sourcing Office are distinct, these two units should work together as a team throughout the Procurement process. In more complex Procurements, the team is likely to be expanded to include Finance, Legal, and Privacy, Security, the Project Management Office and other technical and administrative resources as needed.
- 4.3 The CCO Strategic Sourcing Office is responsible for interpreting and applying the terms of this Policy to individual Procurements. In interpreting this Policy, the CCO Strategic Sourcing Office shall take into consideration: (i) any applicable law; (ii) the applicable requirements of the *OPS Procurement Directive*; (iii) additional guidelines or policies issued by MBC respecting Procurement practice by Other Included Entities, where applicable; (iv) additional procedures and policies issued by CCO respecting Procurement practice; and (v) industry best practices for Procurement.

## 5 **THE PROCUREMENT PROCESS**

5.1 There are 6 phases to the Procurement process:

Phase 1: Planning

Phase 2: Securing Approvals

Phase 3: Executing a Procurement

Phase 4: Evaluation Process

Phase 5: Issuance of a Purchase Order

Phase 6: Contract Management & Document Retention

## 6 **PHASE 1: PLANNING**

### 6.1 **Planning for Individual Procurements**

6.1.1 As the first step in the Procurement process, the ABU shall, in consultation with the CCO Strategic Sourcing Office, undertake Procurement planning in order to identify goods and/or services needed to meet CCO's business requirements, to identify opportunities to aggregate spending, and to determine the appropriate Procurement method.

6.1.2 CCO must ensure that sufficient Procurement planning is conducted to ensure adequate support of its business requirements and to ensure that sufficient time is allowed to complete the Procurement process.

6.1.3 When undertaking Procurements related to Large Projects, the ABU must ensure that a procurement plan is developed. The plan must be appropriate to, and aligned with the key business objectives of the project and provide sufficient detail of all required Procurements to successfully meet the key business objectives.

6.1.4 For Procurements that involve design and build phases, the ABU must separate these phases in the procurement process. This can be accomplished by conducting a single Procurement with the build phase being subject to the successful completion of the design phase, or by conducting separate Procurements.

### 6.2 **Determining the Procurement Value**

6.2.1 The ABU must determine the Procurement Value in order to determine, in conjunction with the CCO Strategic Sourcing Office, the appropriate Procurement method and approval authority.

6.2.2 When determining the Procurement Value, all Costs and Conferred Value associated with entering into a contractual relationship with a third party must be considered.

6.2.3 Where an individual project involves multiple related Procurements, the project's Procurement Value would be determined by the cumulative value of all related Procurements, including potential renewals and Follow-On Agreements.

6.2.4 When determining the Procurement Value, it is not acceptable to take any action such as subdividing projects, Procurements or contracts to reduce the Procurement Value in order to avoid the application of any of the requirements in this Policy.

- 6.2.5 Where the Procurement Value increases prior to completion of the Procurement, the ABU must ensure that it has the appropriate approvals in place and the appropriate Procurement method has been used prior to proceeding with the Procurement. If the Procurement Value Increase exceeds the original approval authority, then the ABU must secure the necessary approval prior to the execution of the Agreement and/or the commencement of the provision of the goods/services. Approval for Procurement Value Increases must be sought prior to proceeding with or continuing the Procurement. Procurement Value Increases may be caused by, but not limited to, price increases, volume uptake, or other unforeseen circumstances. (See Section 7.1 of this Policy for the appropriate approval authorities)

## 7 **PHASE 2: SECURING APPROVALS**

### 7.1 **Approval Authority to Initiate a Procurement**

- 7.1.1 Except in urgent situations, the ABU must secure the necessary approvals prior to initiating a Procurement.
- 7.1.2 Procurement of Goods and Non-Consulting Services with a Procurement Value less than \$5,000 should follow the principles of this Policy. A Purchase Order will be required for all Procurements with a contract ceiling price of \$1,000 or greater.
- 7.1.3 Where a Procurement is required due to an urgent situation, the ABU may initiate the Procurement prior to obtaining the appropriate approvals, provided that the appropriate approvals are obtained prior to the execution of the Agreement and/or the commencement of the provision of the goods/services.
- 7.1.4 Unfunded Procurements require the prior approval of the Chief Financial Officer in addition to any other approval authorities specified in this Section 7.1 for the particular Procurement. The determination of whether Procurement is unfunded shall be made in accordance with CCO's *Signing Authorities and Delegations Policy*.
- 7.1.5 The approval authority process shall be conducted in accordance with Section 7.1.7 of this Policy. Signing approval authorities for contracts shall continue to be determined in accordance with the signing authority framework as set out in CCO's *Signing Authorities and Delegations Policy*.
- 7.1.6 In addition to any other required approvals, the Chief Technology Officer (or delegate) shall approve the Procurement of any Information Technology.

**Procurement Approvals – Goods, Consulting and non-Consulting Services**

7.1.7 The Procurement approval, methods for goods, Consulting and non-Consulting Services are as follows:

**APPROVAL AUTHORITY - GOODS**

<b>Procurement Method</b>	<b>Procurement Value</b>	<b>Procurement Approval Business Approval</b>	<b>Procurement Approval Procurement Process</b>
<b>Open Competitive Procurement</b>	\$5 million or more	VP ABU, CEO, Board	CFO
	\$500,000 - \$4,999,999	VP ABU, CEO	CFO
	\$100,000 - \$499,999	VP ABU	CFO
	\$25,000 - \$99,999	Director, ABU	Director, Strategic Sourcing
<b>Invitational Competitive Procurement</b>	\$15,000 - \$24,999	Director, ABU	Director, Strategic Sourcing
	\$5,000 - \$14,999	Manager, ABU	Purchase Order Coordinator
<b>One Quote</b>	\$1,000 - \$4,999	Manager, ABU	Purchase Order Coordinator
<b>Non-Competitive Procurement or Exemption</b>	\$1 million or more	VP ABU, CEO, Board	CFO
	\$100,000 - \$999,999	VP ABU, CEO	CFO
	\$5,000 - \$99,999	VP ABU	CFO

**APPROVAL AUTHORITY - NON-CONSULTING SERVICES**

<b>Procurement Method</b>	<b>Procurement Value</b>	<b>Procurement Approval <u>Business Approval</u></b>	<b>Procurement Approval <u>Procurement Process</u></b>
<b>Open Competitive Procurement</b>	\$5 million or more	VP ABU, CEO, Board	CFO
	\$500,000 - \$4,999,999	VP ABU, CEO	CFO
	\$100,000 - \$499,999	VP ABU	CFO
<b>Invitational Competitive Procurement</b>	\$15,000 - \$99,999	Director, ABU	Director, Strategic Sourcing
	\$5,000 - \$14,999	Manager, ABU	Purchase Order Coordinator
<b>One Quote</b>	\$1,000 - \$4,999	Manager, ABU	Purchase Order Coordinator
<b>Non-Competitive Procurement or Exemption</b>	\$1 million or more	VP ABU, CEO, Board	CFO
	\$100,000 - \$999,999	VP ABU, CEO	CFO
	\$5,000 - \$99,999	VP ABU	CFO



## APPROVAL AUTHORITY - CONSULTING SERVICES

<b>Procurement Method</b>	<b>Procurement Value</b>	<b>Procurement Approval <u>Business Approval</u></b>	<b>Procurement Approval <u>Procurement Process</u></b>
<b>Open Competitive Procurement</b>	\$5 million or more	VP ABU, CEO, Board	CFO
	\$500,000 - \$4,999,999	VP ABU, CEO	CFO
	\$100,000 - \$499,999	VP ABU	CFO
<b>Invitational Competitive Procurement</b>	\$15,000 - \$99,999	Director, ABU	Director, Strategic Sourcing
	\$0 - \$14,999	Manager, ABU	Purchase Order Coordinator
<b>Non-Competitive Procurement or Exemption</b>	\$1 million or more	VP ABU, CEO, Board, Deputy Minister, Minister, TB/MBC	CFO
	\$100,000 - \$999,999	VP ABU, CEO, Board, Deputy Minister, Minister	CFO
	\$0 - \$99,999	VP ABU	CFO

- 7.1.8 Consulting Services must not be procured when existing internal resources are available for the assignment. For long-term and/or ongoing needs, the ABU must substantiate the use of Consulting Services over recruitment of internal resources. ABUs must co-ordinate, monitor and control the combined efforts of internal and external resources to ensure satisfactory completion of consulting assignments on schedule and within budget. When applicable, a transfer of knowledge must occur from consultants to staff to avoid a continuous reliance on consultants.
- 7.1.9 Consultants must not perform functions normally assumed by management including supervising and hiring staff and other consultants. In addition, consultants must not prepare or access CCO's confidential information without appropriate non-disclosure/confidentiality agreements being in place.
- 7.1.9.1 For non-competitive procurements for consulting services valued at \$1 million or more, ABUs/Strategic Sourcing Office must submit a business case to the Deputy Minister and the TB/MBC in accordance with the OPS Procurement Directive.

## 8 **PHASE 3: EXECUTING A PROCUREMENT**

### 8.1 **Procurement Methods**

8.1.1 The acceptable Procurement methods are as follows:

- (i) Invitational Competitive Procurements;
- (ii) Open Competitive Procurements;
- (iii) Non-Competitive Procurements;
- (iv) Vendor of Record (VOR) Arrangements;
- (v) Call for Expression of Interest (EOI);
- (vi) Best and Final Offer (BAFO);
- (vii) Advance Contract Award Notice (ACAN); and
- (viii) Such other Procurement methods as determined by CCO's Strategic Sourcing Office, that is consistent with the provisions of this policy.

8.1.2 The Procurement method selected will depend on the type and value of the Procurement as set out in Section 7.1 of this Policy.

8.1.3 Additional considerations apply with respect to the Procurement of IT as set out in Section 11.8 of this Policy.

#### 8.1.4 **Best and Final Offer (BAFO)**

CCO may consider using Best and Final Offer (BAFO) in the Procurement of goods. In such cases, the approval authority documentation must include the following information:

- a) the rationale for using BAFO;
- b) the benchmark on current pricing and the anticipated savings;
- c) the strategy to ensure an open, fair and transparent process; and
- d) the circumstances under which BAFO will be triggered.

In the Procurement document, CCO must clearly specify in details the evaluation process, rules and all scenarios under BAFO.

#### 8.1.5 **Advanced Contract Award Notice (ACAN)**

At the discretion of CCO's Strategic Sourcing Office, CCO may issue an Advanced Contract Award Notice (ACAN), in accordance with the process set out Section 4.4.4.1 of the *OPS Procurement Directive*.

### 8.2 **Non-Competitive Procurements**

8.2.1 A non-competitive procurement process must be supported by a business case that aligns with an Allowable Exception (as noted in Section 8.2.2), or seeks approval for an Exemption to the Policy where no Allowable Exception exists.

8.2.2 Non-Competitive Procurement of goods, Consulting, and non-Consulting services are only allowed in the following circumstances, subject to appropriate Procurement approvals:

- (a) Where an unforeseen situation of urgency exists and the goods or services cannot be obtained by means of a competitive Procurement process. An unforeseen situation of urgency does not occur where CCO has failed to allow sufficient time to conduct a competitive process.

- (b) Where Goods, Consulting or non-Consulting services regarding matters of a confidential or privileged nature are to be purchased and the disclosure of those matters through a competitive Procurement process could reasonably be expected to compromise CCO's confidentiality, cause economic disruption or otherwise be contrary to the public interest.
- (c) Where a competitive Procurement process could interfere with CCO's ability to maintain security or order or to protect human, animal or plant life or health.
- (d) Where there is an absence of any bids in response to a competitive Procurement process that has been conducted in compliance with this Policy.
- (e) Where the Procurement is in support of Aboriginal peoples as defined in Section 11.7.5 of this Policy.
- (f) Where the Procurement is with a Public Body.
- (g) Where only one supplier is able to meet the requirements of a Procurement in the following circumstances:
  - i. To ensure compatibility with existing products and services. Compatibility with existing products and services may not be allowable if the reason for compatibility is the result of one or more previous Non-Competitive Procurements.
  - ii. To recognize exclusive rights, such as exclusive licenses, copyright and patent rights, or to maintain specialized products that must be maintained by the manufacturer or its representatives.
  - iii. For the Procurement of goods and services the supply of which is controlled by a supplier that is a statutory monopoly.

The following additional circumstances in which Non-Competitive Procurements are allowed apply only to goods and non-Consulting services, subject to appropriate Procurement approvals

- (h) Where only one supplier is able to meet the requirements of a Procurement in the following circumstances:
  - i. For the purchase of goods on a commodity market.
  - ii. For work to be performed on or about a leased building or portions thereof that may be performed only by the lessor.
  - iii. For work to be performed on property by a contractor according to provisions of a warranty or guarantee held in respect to the property or original work.
  - iv. For a contract to be awarded to the winner of a design contest.
  - v. For the Procurement of a prototype or a first good/service to be developed in the course of research, experiment, study, or original development but not for any subsequent purchases.
  - vi. For the purchase of goods under exceptionally advantageous circumstances such as bankruptcy or receivership, but not for routine purchases.
  - vii. For the Procurement of original works of art.
  - viii. For the Procurement of subscriptions to newspapers, magazines or other periodicals.
  - ix. For the purchase of real property.

### 8.3 **Exemptions**

When seeking any exemption for purposes of a Non-Competitive Procurement where the Allowable Exceptions in this Section 8.2.1 do not apply, CCO must obtain appropriate approval in accordance with the appropriate approval authorities specified in Section 7.1 of this Policy. CCO may also apply for an exemption from specific provisions of this Policy. Such exemption must be approved in accordance with Section 7.1 of this Policy.

## 8.4 **VOR Arrangements**

- 8.4.1 On a case-by-case basis, CCO may choose to participate in an existing VOR Arrangement established by the MGS in accordance with Section 4.3.3 of the *OPS Procurement Directive*, where it is determined to be beneficial to CCO. This decision will be made jointly by the ABU and the CCO Strategic Sourcing Office.
- 8.4.2 Alternatively, CCO may establish CCO-specific VOR Arrangements for the supply of a particular good/service upon completion of an Open Competitive Procurement.
- 8.4.3 Appropriate approval authority must be secured prior to initiating a VOR Arrangement in accordance with the approval authorities specified in Section 7.1. The approval authority is based on the Procurement method and the total estimated Procurement Value of all Procurements expected to be conducted under the VOR Arrangement. CCO must comply with the VOR Arrangement terms of use and the applicable VOR Arrangements User Guides.
- 8.4.4 When establishing VOR Arrangements, CCO must:
- (a) Use an appropriate Procurement process to establish the VOR Arrangement;
  - (b) Establish a VOR Ceiling Price, where appropriate; and
  - (c) Create a VOR User Guide that provides users with information about the VOR Arrangement such as vendor contact information and pricing, specific user requirements such as insurance requirements, as well as any other information identified by CCO.
- 8.4.5 CCO must enter into a written Agreement with the successful vendor(s) selected through a VOR Arrangement.
- 8.4.6 **Second Stage Selection Process or Rostering:**
- 8.4.6.1 For VOR Arrangements where there are multiple vendors, CCO must engage in a further second stage selection or Rostering process to ensure that the best value for money is obtained.
- 8.4.6.2 Approvals must be obtained prior to initiating the second stage selection process in accordance with the approval authorities specified in Section 7.1. The approval authority is based on the total estimated Procurement Value of the Procurement being conducted under the second stage selection process.
- 8.4.6.3 CCO shall issue a written Procurement document, such as an RFS, or a Rostering request as part of the second stage selection process. The Procurement document, if issued, must include appropriate selection criteria, an evaluation process, and the form of Agreement to be signed.
- 8.4.6.4 In the event that Rostering is not used, the second-stage Procurement document must be sent to the following minimum number of qualified vendors, if available:

<b>Procurement Value for each Second Stage Process</b>	<b>Minimum Second Stage Requirement</b>
Less than \$25,000	CCO may invite only 1 vendor
\$25,000 up to but not including \$250,000	CCO must invite 3 vendors
\$250,000 up to but not including \$600,000	CCO must invite 5 vendors
\$600,000 up to VOR Ceiling Price	CCO must invite all vendors
Above VOR Ceiling Price	CCO must use an Open Competitive Procurement or seek an Exemption from this Policy

8.4.6.5 Where there are fewer qualified vendors on a VOR list than those required in Section 8.4.6.4, then CCO must invite all listed vendors.

8.4.6.6 When selecting vendors through Rostering, such selection will be made in accordance with the applicable VOR guide.

**8.5 Vendor/Market Research/Requests for Information**

CCO may engage in a vendor consultation process, such as issuing an RFI, prior to initiating a competitive Procurement process. This consultation process must be conducted solely for information gathering purposes or to market test CCO’s proposed Procurement scope, approach and process. CCO must not make vendor participation in the consultation process a mandatory condition for future bidding, nor solicit or accept formal responses from vendors during the consultation process. For clarity, the completion of an RFI does not constitute an Open Competitive Procurement process.

**8.6 Call for Expression of Interest (EOI)**

CCO may choose to use a Call for Expression of Interest (EOI) to engage a Part-time Clinician Advisor/Lead/Reviewer. The procurement of services of a clinician shall be conducted in accordance with the applicable Procedure(s) and approved in accordance with the provisions therein.

**8.7 Electronic Tendering**

With the exception of Procurements for Clinical Advisors, electronic tendering must be used for open Competitive Procurements with a Procurement Value at or above \$25,000 for goods and at or above \$100,000 for services.

Procurements for Clinical Advisors must be posted on CCO’s website and two additional sites.

**Procurement Documents**

8.7.1 All Procurement documents must be in writing and include sufficient details concerning the response requirements to enable the fair comparison of vendors. The Procurement documents must contain a description of the goods or services and any optional components that are being priced separately, as well as full disclosure of the evaluation criteria and process to be used in assessing responses. When the use of non-generic and/or non-functional terms is appropriate, the specifications must deal with performance requirements and exclude all features that could unfairly confer an advantage to certain vendors. Where the quantity of goods or services is unknown, the estimated quantity should be included.

Any additional information, clarification or modification of the Procurement documents must be provided to vendors in the same manner as the Procurement document via an amendment or addendum and must be released in sufficient time prior to the response deadline to allow

bidders sufficient time to submit a responsive bid. CCO may extend the response deadline to ensure sufficient time is provided to bidders.

8.7.3 Procurement documents, including the Agreement, must identify the framework under which price increases will be permitted, including without limitation, the frequency of price increases, allowable amounts of increases and any benchmarks that will be used to confirm the price increases.

8.7.4 Procurement documents for Consulting Services must include clear terms of reference for the consulting assignment, including: objectives; background; scope; constraints; staff responsibilities; tangible deliverables/results; timing; progress reporting; approval requirements; and knowledge transfer requirements, where applicable.

## 8.8 **Fairness Monitor**

CCO will use external Fairness Monitors for procurements with a Procurement Value in excess of \$5M and in certain other circumstances defined by complexity and the likelihood of intense scrutiny such as high profile projects.

## 8.9 **Bid Response Time**

CCO must provide sufficient time for vendors to prepare and submit proposals in view of all relevant factors such as, but not limited to, time needed by the vendor to properly disseminate the information, complexity, risk, seasonality, and best practices within the relevant industry. CCO will use the following response times:

- (a) for the purposes of all Procurements which are not conducted through a VOR Arrangement and have a Procurement Value less than \$100,000, the minimum response time will be set out in the applicable Procurement document;
- (b) a minimum of 15 calendar days for all Procurements which are not conducted through a VOR Arrangement and have a Procurement Value between \$100,000 and \$500,000;
- (c) a minimum of 30 calendar days for all Procurements which are not conducted through a VOR Arrangement and have a Procurement Value greater than \$500,000;
- (d) a minimum of 30 calendar days for all Procurements of services of Clinicians; and
- (e) for purposes of VOR Arrangements, the bid response time will be determined in accordance with the applicable VOR user guide.
- (f) For Procurements valued at \$500,000 or more, the Bid Response time can be reduced to twenty (20) calendar days if they issue a notice of Procurement more than forty (40) days in advance of the planned Procurement. A notice of Procurement could include, but is not limited to, a draft RFP or pre-release notice issued on the designated electronic tendering site.

Any exception to the noted Bid times must be approved in accordance with the approval authorities outlined in Section 7.1 of this Policy.

## 9 **PHASE 4: EVALUATION PROCESS**

### 9.1 **Evaluation Process**

9.1.1 Responses must be evaluated in accordance with the evaluation process, criteria, rating and methodology set out in the Procurement document.

9.1.2 Individuals participating in the evaluation of responses must declare any potential conflict of interest and immediately address any declarations.

- 9.1.3 While CCO may pay particular attention to apply the maximum justifiable weighting to price/costs, it can also take into account quality, quantity, delivery, servicing, experience, financial capacity of the vendor, and any other criteria directly related to the individual Procurement. CCO must not request information from vendors that will not be evaluated or affect the evaluation process.
- 9.1.4 The evaluation of price/cost must be undertaken after the completion of the evaluation of the mandatory requirements and any other rated criteria.
- 9.1.5 Where a vendor is disqualified for non-compliance of a mandatory requirement or fails to meet a minimum rated requirements score as set out in the Procurement document, no further evaluation of that vendor's response may take place.
- 9.1.6 Following the evaluation process, CCO may select only the highest rank response(s) that have met all mandatory requirements set out in the related Procurement documents. CCO will identify in the Procurement Documentation the rules that will govern the selection in the event of a tie in the Final Proposal Score.
- 9.1.7 In responding to Procurement documents, vendors may sometimes propose alternative strategies or solutions to CCO business needs or apply conditions to their responses. CCO must clearly state in the Procurement document that they will consider alternative strategies. Unless expressly requested in the Procurement documents, CCO must not consider alternative strategies or solutions proposed by a vendor.

## 9.2 **Disclosure of the Evaluation Methodology**

- 9.2.1 CCO must fully disclose in the Procurement document the evaluation process to be used in assessing a vendor's response. A full disclosure of the evaluation methodology and process includes, but is not limited to:
- A clear articulation of all mandatory and rated requirements. CCO must indicate if the mandatory requirements will be assessed on a pass/fail basis and indicate how vendors achieve a passing grade.
  - All weights, including sub-weights, for rated requirements. (e.g. experience at 20% divided into 10% public sector experience and 10% experience on similar sized projects).
  - Descriptions of any short-listing processes, including any required minimum scores for rates requirements.
  - The role and weighting of reference checks and, if applicable, oral interviews, site visits and demonstrations.
  - Descriptions of the price/cost evaluation methodology, including the use of scenarios in the evaluation process, for example, to determine costs for specific volumes and/or service levels.
- 9.2.2 Where Procurement documents state that CCO will consider any equivalency proposals submitted by vendors for solutions that meet performance requirements but are based on standards other than those expressed in the Procurement document, the assessment process must be undertaken in the manner outlined in the Procurement document and documented as part of the evaluation process.
- 9.2.3 Where CCO supports alternative strategies or solutions, the Procurement document must expressly request alternative solutions and describe how alternatives will be considered in the evaluation process.



### 9.3 **Vendor Debriefings**

- 9.3.1 Where the Procurement Value exceeds \$100,000, CCO shall inform all unsuccessful vendors who participated in the Procurement of their entitlement to attend a debriefing session. In such event, CCO shall advise of this entitlement in the Procurement document.
- 9.3.2 Vendor debriefings shall be carried out in accordance with CCO's *Vendor Debriefing Procedure*.

### 9.4 **Communications with Vendors During a Procurement Process**

- 9.4.1 Communications from vendors received by CCO employees, their agents, directors, or contractors during the Procurement process must be avoided and directed to the contact person/bid administrator identified in the Procurement document in order to:
- (a) Guard against complaints;
  - (b) Ensure that all bidders are provided with consistent information within the same timeframes; and
  - (c) Ensure that the information given does not change the intended meaning of the Procurement document or any part thereof.
- 9.4.2 **Commercially Confidential Meetings**: CCO may, in its discretion, provide for the opportunity for bidders to participate in commercially confidential meetings during which an exchange regarding matters that are of a commercially confidential nature can take place. These meetings provide CCO with the opportunity to partake in an exchange with bidders which encourages better dialogue than the traditional question and answer process. The intent of the process is to ensure that the Procurement documents are consistent with CCO's requirements and that any new issues or issues requiring clarification are identified during the response formulation process rather than during the contract negotiations or project implementation phase.
- 9.4.3 **Commercially Confidential Questions**: CCO may also provide for the opportunity for bidders to ask commercially confidential questions during the Procurement process, as may be set out in the applicable Procurement documents. CCO will establish a procedure to determine how such questions will be managed.

### 9.5 **Complaint Process**

Vendor complaints regarding CCO's Procurement policies and processes shall be managed in accordance with CCO's *Vendor Complaints Procedure*.

## 10 **PHASE 5: ISSUANCE OF A PURCHASE ORDER**

All purchase transactions with a Procurement Value equal to or greater than \$1,000 will require a Purchase Order. A purchase order will not be issued until all the appropriate authorities have been obtained.

## 11 **PHASE 6: CONTRACT MANAGEMENT AND DOCUMENT RETENTION**

### 11.1 **Agreement Requirements**

- 11.1.1 An Agreement must be signed before the provision of goods and services commences.
- 11.1.2 The Agreement may be finalized using the form of agreement that was released with the Procurement document, if any.

11.1.3 The term of the Agreement, the Ceiling Price and any options to extend the Agreement must be set out in the Procurement document. Any extensions to the term of the Agreement that results in an increase to the Procurement Value are considered Non-Competitive Procurements and approval must be obtained by the ABU before proceeding. Approval authorities for any such extension shall be the same as those set in Section 7.1 of this Policy for Non-Competitive Procurements, depending upon the value of the extension.

## 11.2 **Contract Management**

The Procurement of goods and services, and the resulting Contracts, must be responsibly and effectively managed.

11.2.1 The ABU will monitor the Agreement to ensure that:

- (i) All payments are made in accordance with the provisions of the Agreement;
- (ii) All reimbursement for applicable expenses must be in accordance with CCO's *Travel & Business Expense Policy*;
- (iii) Any overpayment is recovered;
- (iv) All assignments are properly documented;
- (v) Day to day Vendor performance is managed and documented and any performance issues are addressed;
- (vi) All required approvals are obtained for any Procurement Value Increases and Agreement Ceiling Price increases or other changes in terms and conditions of the Agreement;
- (vii) Goods and Services are received in accordance with the provisions of the Agreement; and
- (viii) Knowledge transfer to CCO staff takes place, where applicable

11.2.2 The CCO Strategic Sourcing Office shall provide support to the ABU with respect to resolving vendor performance management issues.

11.2.3 Oversight of the ABU's compliance with s.11.2.1(i)-(iii) is the responsibility of CCO's Finance Department.

11.2.4 The CCO Strategic Sourcing Office has authority to review the ABU's compliance with s.11.2.1 (iv)-(viii); to work with the Unit to improve compliance; and to report on these issues to CCO management and CCO's Audit & Finance Committee as appropriate.

11.2.5 Certain agreements may require legal review in accordance with CCO's *Signing Authorities and Delegations Policy*.

## 11.3 **Procurement Document Retention**

The CCO Strategic Sourcing Office shall ensure that all Procurement decisions and decision-making processes are recorded to account for and support the reconstruction of facts related to Procurement. The CCO Strategic Sourcing Office shall also retain copies of all Agreements. Document retention relating to Procurements shall be managed in accordance with CCO's *Procurement Documentation & Records Management Procedure*.

## 11.4 **Follow-On Agreements**

11.4.1 Follow-On Agreements are permitted only where an Open Competitive Procurement or VOR Arrangement has been used to select a vendor. Where a VOR Arrangement is used, the total value of the Agreements must not exceed the value of the VOR Ceiling Price.

- 11.4.2 Prior to entering into a Follow-On Agreement, CCO must ensure that:
- (i) All required approvals have been obtained in writing before entering the original Agreement;
  - (ii) Approval authority has been based on the total value of the work in the original Agreement and the Follow-On Agreements;
  - (iii) The terms of the original Agreement were fulfilled and vendor performance was satisfactory;
  - (iv) The appropriate Procurement method was used for the original Agreement such as a VOR Arrangement or an Open Competitive Procurement; and
  - (v) The Procurement documents for the original work disclosed the total potential scope of work to be completed.

## 11.5 **Agreement Ceiling Price**

11.5.1 An Agreement must include an Agreement Ceiling Price.

11.5.2 The Agreement Ceiling Price cannot exceed the Procurement Value and once established, the Agreement Ceiling Price cannot be changed unless allowed by contractual provisions and in accordance with provisions of Section 11.6 below.

## 11.6 **Agreement Ceiling Price Increases**

11.6.1 It is acknowledged that Agreement Ceiling Price increases may be required over the term of an Agreement.

11.6.2 When an ABU determines that an increase to an Agreement Ceiling Price is required, and the increase is more than the lesser of 5% of the initial Agreement Ceiling Price or \$10,000, it must seek prior approval from the approval authorities specified in Section 7.1 of this Policy. In order to determine the appropriate level of approval authority, the ABU must determine whether the increase causes the total Procurement Value to exceed the original Procurement approval. If so, approval must be sought from the new appropriate approval authority.

11.6.3 For approval purposes, CCO should anticipate future needs and include potential renewals and Follow-on Agreements as part of the Procurement Value. CCO must refer to Section 11.4 for requirements specific to Follow-on Agreements.

11.6.4 When seeking approval, the ABU must identify (i) the framework used to confirm that the increased vendor costs are justified and (ii) how CCO continues to obtain “value for money”.

11.6.5 The increase in Agreement Ceiling Price must be reflected in a written amendment to the original Agreement.

## 11.7 **Additional Considerations when Conducting a Procurement**

### 11.7.1 **Protection of Personal and Sensitive Information**

Prior to undertaking any Procurement of goods and/or services that may result in the release of personal information (as defined in the Ontario *Freedom of Information and Protection of Privacy Act* (FIPPA)), personal health information (as defined in the Ontario *Personal Health Information Protection Act, 2004* (PHIPA)) or Sensitive Information, CCO must conduct a risk assessment that includes a Privacy Impact Assessment and a Threat Risk Assessment. Any information that is to be released must comply with applicable privacy legislation and the applicable CCO privacy policies and procedures.

### 11.7.2 **Trade Agreement**

When procuring goods and services, CCO shall comply with the requirements of any Trade Agreements as applicable to the Procurement.

### 11.7.3 **Accessibility Obligations**

When procuring goods and services, CCO shall comply with the *Ontarians with Disabilities Act, 2001* (ODA), the *Accessibility for Ontarians with Disabilities Act, 2005* (AODA) and its regulations, as well as related CCO policies. Effective January 1, 2013, CCO must incorporate accessibility criteria and features into its Procurement processes, except where it is not practicable to do so. Where applicable, Procurement documents must specify the desired accessibility standards to be met and the related submission requirements, and provide guidelines for the evaluation of proposals in respect of those requirements.

### 11.7.4 **Environmental Considerations**

When conducting Procurements, CCO may consider environmental reduction, re-use, and recycling measures.

### 11.7.5 **Procurements in Support of Aboriginal Peoples**

When procuring goods or services which are primarily designated for Aboriginal people, an allowable non-competitive procurement, using the rationale; in support of aboriginal peoples can be considered. To be considered to use the allowable exception, the procurement should have a significant impact on or benefit for Aboriginal people or communities particularly in terms of Aboriginal business and/or economic development and be culturally specific to Aboriginal people.

To be considered a qualified Aboriginal business, the business must be 51% or more owned and controlled by an Aboriginal person(s). In the case of a joint venture or consortium, the following additional requirements should be met:

- i) At least 51% of a joint venture or consortium must be controlled and owned by an Aboriginal business or businesses, as defined above; and
- ii) The joint venture must confirm that at least one third of the value of the work performed under the contract will be done by an Aboriginal business. It may be work done by the Aboriginal partner/contractor or by an Aboriginal sub-contractor.

### 11.7.6 **Separation of Design and Build in Procurement Process**

Procurements that involve design and build phases must separate these phases in the procurement process. This can be accomplished by conducting a single procurement with the build phase being subject to the successful completion of the design phase, or by conducting separate procurements.

Where it is determined it is appropriate to conduct a single Procurement, whereby the same vendor would provide both design and build services, the ABU must validate the satisfactory completion of the design phase before proceeding with the build phase. The Agreement must clearly outline the criteria by which satisfactory completion will be measured. The Business Unit must ensure that appropriate design review and approval occurs prior to moving to the build stage.

Where it is decided to conduct separate Procurement for the design phase and the build phase of a project, the ABU must determine whether or not the successful vendor(s) at the

design phase will be permitted to participate in the build stage, and clearly indicate this in the design phase procurement documents. As appropriate, the ABU is encourage to allow the successful design vendors(s) to bid on the build phase.

The ABU must provide full disclosure of the design and the design vendor(s) in the build phase procurement documents including whether or not the successful vendor(s) are permitted to bid. The ABU must also ensure that all interested vendors have access to the same information made available to the successful design vendor(s) either through the procurement documents or other mechanisms such as a reading room or web based data room, accessible to all interested vendors.

## 11.8 **Additional Considerations for IT Procurements**

In addition to the other requirements set forth in this Policy, CCO shall adhere to the following requirements specific to Procurement of IT:

### 11.8.1 **Procurement of Custom-Developed Software**

Unless otherwise approved by the Chief Technology Officer, CCO shall own all intellectual property rights in custom software Procurements.

### 11.8.2 **Procurement of Open Source Software**

The selection of Open Source Software is a business decision, based on business needs and a case-by-case evaluation of the best technology solution and maximum financial value. The Chief Technology Officer shall approve the deployment of open source solutions.

### 11.8.3 **Procurement of Commercial-Off-The-Shelf (COTS) Software and Related Services**

In determining the appropriate Procurement method and approvals, CCO may consider the value of the COTS product(s) and all related services including licensing, maintenance and support over the estimated useful life of the COTS products as the Procurement Value.

### 11.8.4 **Maintenance and Support**

The acquisition of maintenance and/or support over the estimated useful life of an IT installation must be included in calculating the Procurement Value and appropriate contractual provisions for maintenance and support services must be included in the Agreement. For already installed software or hardware, where maintenance and/or support was not included in the original Procurement, CCO must seek the appropriate approval for the balance of the intended installation period or next anniversary of the installation when maintenance and/or support will be required. Splitting or subdividing maintenance and support services is not permitted.

### 11.8.5 **CCO Information Technology Standards**

For IT Procurements, CCO may express requirements in terms of CCO Information Technology standards as an alternative to functional terms. Such CCO Information Technology standards must, (i) be approved by CCO's Board of Directors, on the recommendation of CCO's Information Management/Information Technology Committee, and (ii) procured competitively in accordance with CCO's Procurement Policy.

Note that expressing terms for an IT Procurement using CCO information Technology Standards is not an exception to competitive procurement. All IT Procurements must be done in accordance with CCO's Procurement Policy.

### 11.8.6 IM/IT Gating

For IM/IT Procurements that are going through the gating process, Gate 2 approvals must be obtained in accordance with the IM/IT Gating Policy prior to initiating the Procurement. Any exceptions to this must be approved by GPMC.

11.9 This Policy shall be reviewed annually. Amendments to the Approval Authority Framework set out in Section 7.1 of this Policy require the approval of the Board. All other amendments to this Policy require the approval of the CFO and the CEO.

### 11.10 Approval and Revision History

This Policy replaces the:

- (i) *Procurement of Goods and Services Policy* dated December 2002, as revised on February 16, 2005.
- (ii) *Consulting Services Policy* dated December 1, 2002, as revised October 23, 2007.

<b>Policy Owner:</b>	<b>CFO</b>	<b>Approval Information</b>	<b>Date</b>
<b>Contact:</b>	CCO Strategic Sourcing Office procurement@cancercare.on.ca	N/A	N/A
<b>Effective Date:</b>	August 14, 2009	N/A	N/A
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<b>Approved By:</b>	VP Corporate Services & CEO	Approval Date	August 13, 2009
<b>Revision #1 Effective Date:</b>	September 24, 2009	N/A	N/A
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<b>Revision #3 Approved By:</b>	CCO Board – Audit & Finance Committee	Approval Date	September 12, 2011
<b>Revision #3 Approved By:</b>	VP Corporate Services & CEO	Approval Date	September 12, 2011
<b>Revision #4 Effective Date:</b>	July 1, 2014	N/A	N/A
<b>Revision #4 Approved By:</b>	CCO Board – Audit & Finance Committee	Approval Date	April 24, 2014

## Appendix 1

### DEFINITIONS & ACRONYMS

In this Policy, the following definitions are used:

**“Acquiring Business Unit” (ABU)** means the CCO business unit that initiates a Procurement.

**“Advanced Contract Award Notice (ACAN)”** means a public notice posted for a minimum period of 15 calendar days, indicating that CCO intends to enter into a Sole Source or Single Source Non-Competitive Procurement. The ACAN must contain the Non-Competitive Procurement strategy detailing the goods and/or services being acquired, the rationale for not conducting an Open Competitive Procurement, the vendor’s name and address, and a request for statements from vendors indicating that they believe they have the capability and capacity to provide the good and/or service.

**“Agreement”** means the formal written document that will be entered into at the end of the Procurement process. An Agreement may include a quotation signed by both parties.

**“Agreement Ceiling Price”** means the total Cost for specified goods and/or services established in a contractual relationship with a third party.

**“Allowable Exception”** means specific situations outlined in Section 8.2.1 of this Policy where the use of a Non-Competitive Procurement process is allowable for the Procurement of goods, Consulting, or non-Consulting Services, provided that prior approval is received from the approval authorities specified in Section 7.1 of this Policy.

**“AODA”** means the *Accessibility for Ontarians with Disabilities Act, 2005*.

**“Architecture Review Board” (ARB)** means the CCO review board created in connection with the CCO *IM/IT Gating Policy* that reports to the Chief Technology Officer or delegate appointed by the Chief Information Officer. ARB membership is comprised of CCO senior staff and technology specialists and may include representatives from the broader health care and/or Ontario Public Service communities.

**“Best and Final Offer” (BAFO)** means a process for the Procurement of goods in which the short listed vendors are invited to resubmit their bids for the purpose of seeking clarifications or requesting improvement on the original response such as better (lower) pricing. BAFO cannot be requested by a vendor.

**“Board”** means CCO’s Board of Directors.

**“Call for Expression of Interest” (EOI)** means a statement of intent by an individual or organization to compete for an opportunity to perform services.

**“Capital Equipment”** means radiation treatment machines and related software, equipment and services purchased by CCO and operated by integrated cancer program hospitals.

**“CEO”** means CCO’s President & Chief Executive Officer.

**“Commercial-Off-The-Shelf software (COTS)”** means a software product that is made available to the general public by a commercial supplier from existing stock or supplies, that is not designed or made to order, and that is licensed for commercial gain or advantage.

**“Commercial-Off-The-Shelf software (COTS) and related services”** means COTS and related services including, but not limited to, maintenance, technical support services, installation, training, configuration and implementation services but excluding Consulting Services, equipment and hardware.

**“Conferred Value”** includes, but is not limited to, (i) the exchange of goods and/or services by CCO in return for other goods and/or services, (ii) revenue generating opportunities, and (iii) partnership agreements with non-profit organizations.

**“Consulting Services”** means the provision of expertise or strategic advice that is presented for consideration and decision-making. Examples of Consulting Services include:

- (i) management consulting (i.e. helping CCO improve its performance, primarily through the analysis of existing problems and development of plans for improvement. This includes organizational change management assistance and strategy development);
- (ii) Information Technology consulting (i.e. advisory services that help clients assess different technology strategies, including aligning their technology strategy with their business or process strategy);
- (iii) technical consulting (i.e. activities related to actuarial science, appraisals, community planning, health sciences, interior design, realty, social sciences);
- (iv) research and development consulting (i.e. investigative study for the purpose of increasing the available store of knowledge and/or information on a particular subject);
- (v) policy consulting (i.e. the provision of advisory services to provide policy options, analysis and evaluation); and
- (vi) communication consulting (i.e. the provision of strategy and advice in conveying information through various channels and media).

Consulting Services do not include (i) services in which the physical component of an activity would predominate (e.g. services for the operation and maintenance of a facility; temporary help services; training/education instructors; employee/placement; auditing services and photography), or (ii) services provided by licensed professionals such as medical doctors, dentists, nurses, pharmacists, engineers, architects, chartered accountants, lawyers and notaries acting in their regulated capacities.

**“Costs”** include but are not limited to:

- (i) the price or cost of the goods or services;
- (ii) one-time costs such as site preparation, delivery, installation and documentation;
- (iii) ongoing operating costs including training, accommodation, support and maintenance;
- (iv) sales taxes and applicable duties;
- (v) disposition costs;
- (vi) premiums, fees, commissions, and interests;
- (vii) options to renew;
- (viii) other direct or indirect benefits or payments received by the successful vendor(s); and
- (ix) any Conferred Value.

**“Electronic Tendering System”** means a computer-based system that provides vendors with access to information related to Open Competitive Procurements. In addition, CCO may also advertise in newspapers, industry periodicals or other sites where this will help support an Open Competitive Procurement.

**“Exemption”** means (i) an approval for a Non-Competitive Procurement process for the acquisition of goods, Consulting or non-Consulting Services at a specific value where an Allowable Exception in Section 8.2.1 of this Policy does not apply, or (ii) to be excluded from a specific requirement of this Policy, provided that prior approval is obtained from the appropriate approval authority as set out in Section 7.1 of this Policy.



**“Fairness Monitor”** means an independent and impartial third party who observes and monitors the Procurement process.

**“FIPPA”** means the *Freedom of Information and Protection of Privacy Act*.

**“Follow-On Agreement”** means an agreement that follows and is related to an already completed Agreement. Follow-On Agreements allow CCO to structure a Procurement into several smaller portions for reasons of complexity, size, uncertainty or improved management control.

**“GPMC”** refers to the Gating and Portfolio Management Committee of CCO. This Committee is chaired by the CTO and consists of CCO IM/IT senior staff, CCO directors, and may include representatives from the broader health care community.

**“Information Technology”** or **“IT”** means the equipment, software (including Open-Source Software), services and processes used to create, store, process, communicate and manage information but does not include specialized single-purpose equipment such as:

- electronic equipment used exclusively to process or communicate information (e.g., audio visual equipment);
- computerized equipment used exclusively for:
  - medical and scientific research;
  - laboratory instrument monitoring systems;
  - sensing devices (e.g. thermostats);
  - diagnostic tools (e.g. engine analysers);
  - process-control systems (e.g. traffic lights); and
  - general information technology supplies (e.g. removable disks).

**“Interpretation Guidelines and Procedures”** means the Guidelines and Procedures intended to assist with the interpretation and application of this Policy, as approved by the CFO from time to time.

**“Invitational Competitive Procurement”** means a Procurement method of inviting a minimum of three (3) qualified vendors to respond in writing to a request by CCO for the supply of goods, non-Consulting and Consulting Services based on stated delivery requirements, performance specifications, terms and conditions.

**“Large Projects”** means procurement(s) related to complex projects involving either Information Technology and/or significant transformation of CCO business processes and operations.

**“MBC”** means the Management Board of Cabinet.

**“Non-Competitive Procurement”** means a permitted Procurement process that is not competitively conducted and required on the basis of an exception as provided for in Section 8.2 of this Policy. Non-Competitive Procurement processes include Single Source and Sole Source Procurements.

**“OPS Procurement Directive”** means the Management Board of Cabinet Procurement Directive dated December 2014.

**“Open Competitive Procurement”** means a Procurement method whereby CCO issues Procurement documents using an Electronic Tendering System.

**“Open Source Software”** means those programs whose licenses give users the freedom to:

- (i) run the program for any purpose permitted by the license;
- (ii) study and modify the program; and
- (iii) redistribute copies of either the original or modified program (without having to pay royalties to previous developers).

**“Other Included Entity”** means the status accorded to CCO under the *OPS Procurement Directive*.

**“Part-time Clinician Advisor/Lead/Reviewer”** means a clinician (physician or other health care professional) whose primary role is clinical practice, who may also carry a clinically related academic role and/or a leadership role in a clinical setting.

**“Personal Health Information”** has the meaning ascribed thereto in the *Personal Health Information Protection Act, 2004*, as the same is amended from time to time.

**“PHIPA”** means the *Personal Health Information Protection Act, 2004*.

**“Procurement”** means any contractual or commercial arrangement involving the acquisition of a good, Consulting or non-Consulting Service through purchase, rental, lease or conditional sale, including Capital Equipment and Information Technology; or where a value or benefit has been conferred by CCO to the successful vendor in exchange for good(s), service(s) or revenue to CCO. For purposes of this Policy, Procurement does not include any grant, entitlement agreement or shared cost agreement entered into by CCO for a public benefit or purpose.

**“Procurement Value”** means all Costs and Conferred Value associated with a contractual relationship with a third party. Where a project involves multiple related Procurements, the project’s Procurement Value would be determined by the cumulative value of each related Procurement.

**“Procurement Value Increase”** means that the Costs and Conferred Value associated with a Procurement initiative have increased following the Procurement approval.

**“Public Body”** means a public sector organizations such as a government entities, schools, hospitals and academic institutions.

**“Request for Information” (RFI)** means a market research Procurement document that is used to elicit industry information on particular products and/or services from the vendor community.

**“Request for Proposal” (RFP)** means a Procurement document that requests vendors to supply solutions for the delivery of complex goods or services or to provide alternative options or solutions. It is a process that uses pre-defined evaluation criteria in which price is not the only factor.

**“Request for Services” (RFS)** means a Procurement document used during the second stage selection process to request responses from one or more vendors listed on a VOR Arrangement.

**“Request for Supplier Qualification” (RFSQ)** means a Procurement document used to request technical information, and evidence of financial stability and product or service suitability from potential vendors in order to pre-qualify or short list vendors to bid on specific categories of work or provide specific types of goods or services, or to respond to a particular request for proposals or tenders.

**“Rostering”** means a second stage selection process relating to CCO-established Vendors of Record (VORs) whereby CCO’s Strategic Sourcing Office selects vendors in successive order in accordance with the applicable VOR guide.

**“Sensitive Information”** means information that is confidential, of highest value to CCO and intended for use by specific groups of staff or named individuals (positions) only. This information must be protected because its disclosure, modification, destruction, or loss will cause perceivable damage to someone or something. A breach of privacy or security would risk the health, safety, privacy or reputation of an individual, members of the public or staff. It could also cause significant financial loss, legal penalties and reputational damage to CCO, the government, partners, or client organizations. Examples include personal health information, strategic plans, unannounced financial information, contracts and open Procurement bids.

**“Single Source Procurement”** means the use of a Non-Competitive Procurement process to acquire goods or services from a specific supplier even though there may be more than one supplier capable of delivering the same goods or services.

**“Sole Source Procurement”** means the use of a Non-Competitive Procurement process to acquire goods or services from a specific supplier because there are no other suppliers available or able to provide the required goods or services.

**“TB/MBC”** means Treasury Board/Management Board of Cabinet.

**“Trade Agreements”** means any applicable trade agreement to which Ontario is a signatory or pursuant to which Ontario has accepted obligations.

**“Transfer Payments”** means when a Ministry, another government agency or other not-for-profit health organization transfers or commits to transfer money to CCO with the intention that CCO transfer all or a part of such funds to another government or health organization. Transfer payments are often documented in “funding letters”, “transfer payment agreements”, “accountability agreements” or a “memorandum of understanding” which outlines the commitment to transfer funds and the terms and conditions associated with the transfer of funds.

**“Vendor of Record (VOR) Arrangement”** means a Procurement arrangement that authorizes one or more qualified vendors, typically by way of a formal second stage process or Rostering, to provide goods or services for a defined time period on terms and conditions, including pricing, as set out in the particular VOR agreement. For greater certainty, VOR Arrangements include CCO-specific VOR Arrangements described in Section 8.4 of this Policy.

**“Vendor of Record (VOR) Ceiling Price”** means the maximum value per assignment, or per multiple project-related assignments, under which CCO may use the VOR Arrangement. The process to determine VOR Ceiling Price shall be set out in the applicable VOR User Guide.

## **Appendix 2**

### **Related OPS Directives, Policies & Guidelines:**

- *OPS Procurement Directive* dated December 2014
- *Office of the Corporate Chief Strategist Ministry of Government Services Operating Policy on Open Source Software* dated June 6, 2007
- *Procurement Directive on Advertising, Public and Media Relations and Creative Communications Services* dated May 1, 2014
- *Travel, Meal and Hospitality Expenses Directive* dated November 2014

### **Related CCO Policies:**

- *Ethical Conduct, Conflict of Interest, Political Activity and Disclosure of Wrongdoing – CCO Board and Board Committee Members*
- *Ethical Conduct, Conflict of Interest, Political Activity and Disclosure of Wrongdoing – CCO Employees and Former Employees*
- *Travel & Business Expense Policy (Consultants)*
- *Signing Authorities and Delegations Policy*
- *IM/IT Gating Policy Revised November 2014 Version 8*

### **Related Procurement Forms:**

- *Delegation of Approval under CCO’s Procurement Policy and Procurement of Advertising, Public and Media Relations and Creative Communications Services Guide*