



Touch the Edge of the Arctic!

The Corporation of the Town of Moosonee

Procurement Policy

Section 1 – Purpose & Scope

1.1 Purpose

The purpose of this Procurement Policy is to establish a consistent, transparent, and accountable framework for the acquisition of goods, services, and construction on behalf of the Town of Moosonee. This policy ensures that all procurement activities:

- Comply with the **Municipal Act, 2001**, the **Accessibility for Ontarians with Disabilities Act, 2005**, the **Municipal Freedom of Information and Protection of Privacy Act**, and other applicable legislation.
- Uphold the principles of **fairness, integrity, openness, and value for money**.
- Support the Town's strategic priorities, fiscal responsibility, and long-term sustainability.
- Promote accessibility, environmental sustainability, and social responsibility where practical.
- Ensure compliance with applicable **trade treaties and agreements**, including the Canadian Free Trade Agreement (CFTA), the Ontario-Quebec Trade and Cooperation Agreement, and international trade agreements where relevant.

1.2 Scope

This policy applies to:

- All acquisitions of goods, services, and construction by or on behalf of the Town of Moosonee, regardless of the source of funding.

- All employees, departments, and elected officials engaged in procurement activities.
- The disposal of surplus or obsolete goods and equipment owned by the Town.

This policy does **not** apply to:

- Real estate transactions (purchase, sale, lease of land).
- Employee/employer contracts or professional services that establish an employment relationship.
- Employee and Council expense reimbursements made in accordance with approved policies.
- Utilities, postage, banking services, insurance premiums, or other payments that by nature cannot be competitively procured.

Section 2 – Guiding Principles

The Town of Moosonee is committed to conducting all procurement activities in a manner that is open, fair, accountable, and transparent. The following principles guide this policy:

2.1 Accountability

All procurement decisions and actions must withstand public scrutiny. Staff and Council are responsible for ensuring compliance with this policy and for acting in the best interests of the community.

2.2 Transparency & Fairness

Procurement shall be conducted in a manner that is open and competitive, giving all qualified suppliers a fair and equal opportunity to participate. Selection criteria and decision-making processes must be clear, consistent, and defensible.

2.3 Best Value for Money

Purchasing decisions will be based on overall value, not solely on the lowest price. Consideration will be given to:

- Quality, reliability, and performance;
- Lifecycle costs (including maintenance, operation, and disposal);
- Supplier experience and track record;

- Environmental, social, and accessibility impacts.

2.4 Compliance with Law & Trade Agreements

All procurement activities must comply with:

- The **Municipal Act, 2001** and other relevant Ontario legislation;
- **Accessibility for Ontarians with Disabilities Act, 2005 (AODA)** standards;
- **Municipal Freedom of Information and Protection of Privacy Act (MFIPPA)**;
- Canadian Free Trade Agreement (CFTA), Ontario-Quebec Trade and Cooperation Agreement, and other applicable trade treaties.

2.5 Ethical Conduct & Integrity

Town staff, Council, and suppliers must act with honesty and integrity. Conflicts of interest, personal gain, or preferential treatment will not be tolerated. Gifts, hospitality, or other benefits from suppliers are prohibited.

2.6 Collaboration & Innovation

The Town will pursue collaborative purchasing opportunities (e.g., Canoe Procurement Group, provincial and inter-municipal cooperatives) where efficiencies and savings can be achieved. The Town encourages innovative solutions that improve service delivery and community outcomes.

2.7 Environmental & Social Responsibility

Procurement decisions should, where feasible, incorporate environmentally sustainable practices, promote accessibility, and support local and diverse suppliers consistent with trade treaty obligations.

Section 3 – Definitions

For the purposes of this Procurement Policy, the following terms shall have the meanings indicated:

- **Acquisition / Procurement** – The process of obtaining goods, services, or construction by purchase, lease, rental, or exchange.
- **Applicable Law** – Any federal, provincial, or municipal statute, regulation, by-law, directive, or trade agreement in force in Ontario from time to time.
- **CAO** – The Chief Administrative Officer of the Town of Moosonee, or designate.

- **Clerk** – The Clerk of the Town of Moosonee, or designate.
- **Treasurer** – The Treasurer of the Town of Moosonee, or designate.
- **Commitment** – Any agreement, contract, or purchase order entered into by the Town for the acquisition of goods, services, or construction.
- **Consulting Services** – The provision of expertise or strategic advice that is presented for consideration and decision-making.
- **Contract** – A binding agreement between the Town and a supplier to provide goods, services, or construction for consideration.
- **Council** – The elected Council of the Town of Moosonee.
- **Department** – An organizational unit of the Town led by a Manager or designate.
- **Emergency** – An unforeseen situation where the immediate acquisition of goods, services, or construction is necessary to prevent or alleviate a threat to public health, safety, life, property, the environment, or the disruption of essential Town services.
- **Goods** – All physical and intangible items including materials, supplies, equipment, structures, licenses, and software.
- **Manager** – A Town department head or designate authorized to oversee procurement within their department.
- **Non-Competitive Procurement** – Procurement conducted without a competitive process (e.g., emergency, single source, sole source).
- **Purchase Order (PO)** – A written authorization issued by the Town to a supplier to formalize a purchase transaction.
- **Request for Proposal (RFP)** – A procurement method inviting suppliers to propose solutions to deliver goods or services where factors other than price are considered in evaluation.
- **Request for Quotation (RFQ)** – A procurement method inviting suppliers to submit price quotations for defined goods or services.
- **Sole Source** – A non-competitive procurement where only one supplier is available and capable of providing the required goods or services.
- **Single Source** – A non-competitive procurement where more than one supplier exists, but a particular supplier is selected due to unique circumstances (e.g., compatibility, prior work, technical expertise).
- **Supplier / Vendor** – A person, corporation, or organization providing goods, services, or construction to the Town.

- **Surplus Assets** – Town-owned goods, equipment, or property no longer required for municipal use.
- **Tender / Request for Tender (RFT)** – A formal competitive procurement process where suppliers submit sealed bids based on clear specifications, typically awarded to the lowest compliant bid.
- **Town** – The Corporation of the Town of Moosonee.

Section 4 – Procurement Methods & Thresholds

The Town of Moosonee uses a tiered approach to procurement to ensure fairness, accountability, and proportionality between the value of the purchase and the formality of the process. All dollar thresholds below are **exclusive of HST**.

4.1 Petty Cash / Low-Value Purchases (Under \$1,000)

- May be purchased directly by authorized staff.
- A receipt or invoice must be submitted with proper account coding.
- Intended for small, routine operational needs.

4.2 Informal Quotations (\$1,000 – \$5,000)

- At least **three verbal or written quotes** should be obtained where feasible.
- Staff must document the quotes received (date, vendor, price).
- Purchase Order must be issued before commitment.
- Approval by Department Manager.

4.3 Formal Quotations (\$5,001 – \$10,000 before Tax and Shipping)

- At least **three written quotations** must be obtained where feasible.
- Specifications should be clearly described in writing.
- Quotes must be evaluated and documented.
- Purchase Order required.
- Approval by Department Manager and CAO.

4.4 Request for Proposal (RFP) (\$10,001 – \$99,999)

- Used when criteria other than price (e.g., methodology, qualifications, technical solution, value-added benefits) are significant to the award.
- Proposals are evaluated using a **scoring matrix** based on published evaluation criteria.
- Process must be coordinated by the Clerk or designate to ensure fairness.
- Approval by Council resolution upon recommendation from CAO.

4.5 Public Tender (\$100,000 and over)

- A formal, sealed bidding process open to all qualified suppliers.
- Award normally goes to the **lowest compliant bid**, unless Council approves otherwise for documented value-based reasons.
- Tender must be publicly advertised in accordance with trade treaty requirements.
- Openings are to be conducted transparently and results recorded.
- Approval by Council resolution.

4.6 – Cooperative and Group Purchasing

The Corporation of the Town of Moosonee recognizes the benefits of collaborative procurement and may participate in such opportunities where it is advantageous to do so.

- The Town may participate in collaborative procurements as a lead or participating entity.
- The Town may utilize contracts from the Canoe Procurement Group of Canada, recognizing that the use of Canoe contracts is considered equivalent to an open solicitation method.
- The Town may participate in joint procurement with other entities regionally, nationally, or internationally, provided such participation complies with applicable laws and trade agreements.

Participation in collaborative or group purchasing shall be considered equivalent to meeting the requirements of competitive bidding under this policy.

4.7 Professional and Consulting Services

- May be procured using RFQ, RFP, or Sole/Single Source methods depending on value and circumstances.

- Selection should consider qualifications, experience, proposed methodology, and cost.

4.8 Procurement Timelines and Planning

- Departments must plan acquisitions with sufficient lead time for approvals, competitive processes, and Council consideration where applicable.
- Splitting purchases to avoid thresholds is **strictly prohibited**.

Section 5 – Non-Competitive Procurement

While competitive processes are the standard, the Town recognizes that certain limited circumstances may require procurement without open competition. These exceptions must be used carefully, documented fully, and approved at the appropriate level of authority.

5.1 Sole Source Procurement

A Sole Source occurs when only **one supplier** is capable of providing the required goods, services, or construction.

Permitted circumstances include:

- Works of art, unique cultural items, or specialized goods not available from multiple suppliers.
- Goods or services protected by patent, copyright, or other exclusive rights.
- Compatibility with existing equipment, technology, or services, where no alternative exists.
- No other supplier is able to meet the Town's technical specifications or requirements.

Requirements:

- Written justification by the Department Manager.
- Approval by CAO (under \$10,000) or Council (over \$10,000).
- Documentation must be filed with the Treasurer.

5.2 Single Source Procurement

A Single Source occurs when **more than one supplier exists**, but a particular supplier is chosen due to specific circumstances.

Permitted circumstances include:

- Continuity of work with a supplier who has completed related preliminary or specialized work.
- Technical compatibility with existing systems, materials, or processes.
- Where changing suppliers would result in significant additional costs, delays, or risks.
- Specialized expertise or experience that makes one supplier best suited to the project.

Requirements:

- Business case prepared by Department Manager.
- Approval by CAO (under \$10,000) or Council (over \$10,000).
- Clear rationale must be documented and available for audit.

5.3 Emergency Procurement

An Emergency occurs when the immediate acquisition of goods, services, or construction is necessary to:

- Address an imminent or actual threat to public health, safety, life, property, or the environment;
- Prevent serious disruption of essential Town services;
- Avoid further damage to infrastructure or equipment.

Requirements:

- Manager may authorize necessary purchases to respond immediately.
- Emergency purchases exceeding \$5,000 must be reported to the CAO as soon as practical.
- Emergency purchases exceeding \$10,000 must be reported to Council at the next regular meeting, with a written explanation of the circumstances.
- Documentation must outline the nature of the emergency, the supplier engaged, and the cost.

5.4 General Rules for Non-Competitive Procurement

- Non-competitive procurement is a last resort and must not be used to avoid competition.

- All instances must be fully documented and retained for audit purposes.

Section 6 – Approvals & Delegation of Authority

6.1 General Principles

- No employee or elected official shall commit the Town to any purchase, contract, or financial obligation except as authorized under this policy.
- All commitments must be supported by approved budgets and must follow the established approval limits.
- Splitting purchases to avoid approval thresholds is strictly prohibited.

6.2 Approval Authorities by Threshold

The following table outlines the approval authority for various procurement levels (exclusive of HST and Shipping):

Procurement Value	Method	Approval Authority
Under \$1,000	Petty Cash/Low-Value	Department Staff (authorized)
\$1,000 – \$5,000	Informal Quotations	Department Manager
\$5,001 – \$10,000	Formal Quotations	Department Manager + CAO
\$10,001 – \$99,999	RFP / Formal Quotations	CAO Recommendation + Council Approval
\$100,000 and over	Public Tender	Council Approval

6.3 Non-Competitive Procurement Approvals

- **Sole/Single Source under \$10,000** – Department Manager with CAO approval.
- **Sole/Single Source \$10,001 and over** – Council approval on CAO recommendation.
- **Emergency Purchases** – Department Manager may authorize immediately; report required to CAO (over \$5,000) and Council (over \$15,000).

6.4 Contract Signing Authority

- The **Mayor and Clerk** (or designates) are the signing authorities for all contracts, agreements, and tenders awarded by Council.
- The **CAO** may sign contracts up to \$25,000 within approved budgets.

- No contract shall be signed without confirmation of budget availability and proper approval.

6.5 Regular Supplies and Utilities

- The **CAO** may sign off purchases of regular supplies or utilities exceeding \$10,000 within approved budgets up to \$25,000 (example: sand, de-icer, hydro, fuel)

6.6 Reporting to Council

- Council shall receive a quarterly report summarizing all procurements over \$10,000, including competitive and non-competitive purchases.
- Annual reporting will include a review of procurement activities and policy compliance.

Section 7 – Conflict of Interest & Ethical Standards

7.1 General Standard

All procurement activities must be conducted with integrity and impartiality. Employees, Council members, and suppliers must avoid any real, perceived, or potential conflicts of interest.

7.2 Conflict of Interest – Employees and Council

- Employees and Council members shall comply with the **Municipal Conflict of Interest Act** and all applicable Town policies.
- No employee or elected official may participate in, influence, or make decisions about a procurement process in which they or a family member has a direct or indirect financial interest.
- Employees and Council members must disclose to the Clerk any personal or family interest that could be perceived as a conflict in a procurement matter.

7.3 Conflict of Interest – Suppliers

- Suppliers participating in a procurement process must disclose any situation that may be a conflict of interest, including relationships with Town employees, Council, or other suppliers.
- The Town may disqualify suppliers from a procurement process or terminate a contract if a conflict of interest is identified that cannot be mitigated.

7.4 Gifts, Benefits, and Hospitality

- No employee, Council member, or agent of the Town shall accept, directly or indirectly, any gift, gratuity, rebate, credit, or benefit of any kind from a supplier or potential supplier.
- Modest hospitality (e.g., coffee, light refreshments at a meeting) may be accepted only if it does not create an obligation or perceived influence.
- Any offers of gifts or benefits must be reported immediately to the CAO or Clerk.

7.5 Ethical Conduct

- Employees and Council members must conduct procurement activities in a professional manner that upholds the Town's reputation for fairness and integrity.
- Suppliers must be treated fairly, consistently, and respectfully.
- Unsolicited offers of goods, services, or demonstrations do not constitute approval for procurement.

7.6 Confidentiality

- Information provided by suppliers during a procurement process is confidential and must not be shared outside the evaluation and approval process, except as required by law (e.g., MFIPPA).
- Employees and Council members must not disclose confidential information for personal gain or to give an unfair advantage.

Section 8 – Funding Verification & Commitments

8.1 Budget Authorization

- No procurement shall proceed unless the expenditure has been approved in the Town's annual operating or capital budget, or by a specific Council resolution.
- All departments must confirm budget availability with the Treasurer before issuing any purchase order or contract.

8.2 External Funding

- Where procurement is contingent on grants, subsidies, or other external funding, written confirmation of funding must be obtained before initiating the procurement process.
- Any terms or conditions attached to external funding must be incorporated into the procurement process and contract.

8.3 Commitments

- No goods, services, or construction shall be ordered, received, or invoiced without a properly executed **purchase order, contract, or written commitment** authorized under this policy.
- Verbal agreements or informal commitments are prohibited.
- Commitments with a term exceeding **ten (10) years** require explicit Council approval.

8.4 Change Orders and Amendments

- Contract changes that increase the total value of the commitment by up to **10%** may be approved by the CAO, provided sufficient budget is available.
- Changes that exceed **10% of the original contract value** or alter the scope materially must be approved by Council.
- All amendments must be documented in writing and signed by both parties.

8.5 Prohibited Practices

- Splitting purchases to avoid budget or approval limits is strictly prohibited.
- Retroactive approvals (after goods or services are received) are not permitted, except in true emergencies as defined in Section 5.3.

Section 9 – Accessibility & Sustainability Requirements

9.1 Accessibility

- All procurement processes and contracts must comply with the **Accessibility for Ontarians with Disabilities Act, 2005 (AODA)** and its regulations.
- Goods, services, and construction must include accessibility features, design, and criteria wherever possible.
- Procurement documents must be made available in accessible formats upon request.

9.2 Environmental Sustainability

- The Town will consider environmental impacts in procurement decisions, including:
 - Energy efficiency and emissions reduction;
 - Use of recyclable, reusable, or biodegradable materials;

- Reduced packaging and waste generation;
- Supplier environmental practices.
- Preference may be given to suppliers offering environmentally sustainable solutions where consistent with trade agreement obligations.

9.3 Social Responsibility

- The Town supports procurement practices that encourage supplier diversity and equitable economic participation, including local and Indigenous businesses, provided such practices comply with trade treaties.
- Suppliers are expected to comply with all applicable labour, human rights, and workplace safety laws.

9.4 Total Lifecycle Consideration

- Evaluation of bids and proposals will consider the **total cost of ownership** (including purchase, installation, training, maintenance, operation, and disposal), rather than just the lowest upfront price.

Section 10 – Surplus Asset Disposal

10.1 General Principle

Assets owned by the Town that are no longer required for municipal purposes shall be declared surplus and disposed of in a manner that maximizes value, ensures fairness, and is transparent to the public.

10.2 Authority to Declare Surplus

- Department Managers may recommend to the Treasurer that goods, equipment, or vehicles are surplus.
- The Treasurer, in consultation with the CAO, may formally declare items surplus and determine the appropriate method of disposal.

10.3 Methods of Disposal

Surplus assets may be disposed of by:

1. **Redistribution** within the Town's departments, if another department can use the item.
2. **Donation** to a registered charitable or non-profit organization in Moosonee, subject to Council approval.

3. **Public Sale** by auction, tender, or other transparent method.
4. **Trade-In** at fair market value as part of acquiring new goods or equipment.
5. **Recycling or Waste Disposal** if the item has no residual value.
6. **Other methods** as authorized by Council.

10.4 Restrictions

- No employee, elected official, or immediate family member may acquire surplus items if they were involved in the decision to declare the item surplus or in arranging the disposal process.
- Disposal must comply with environmental regulations and Town policies.

10.5 Records

- A record of all disposed assets, including method of disposal and proceeds (if any), must be maintained by the Treasurer for audit purposes.

Section 11 – Monitoring, Reporting & Compliance

11.1 Monitoring

- The Treasurer is responsible for monitoring compliance with this policy across all departments.
- Departments must maintain complete and accurate procurement records, including quotes, proposals, evaluation documentation, contracts, and purchase orders.
- All procurement documentation must be retained in accordance with the Town's records retention by-law.

11.2 Reporting

- The Treasurer shall provide **quarterly reports** to Council summarizing all procurements over \$10,000, including non-competitive purchases.
- The Treasurer shall prepare an **annual report** to Council on procurement activities, including:
 - Total value of procurements conducted by category (quotes, RFPs, tenders, etc.);
 - Instances of sole source, single source, and emergency purchases;
 - Disposal of surplus assets;

- Compliance issues and corrective actions taken.

11.3 Compliance

- Employees must comply with this policy at all times. Failure to do so may result in disciplinary action, up to and including termination of employment.
- Suppliers who fail to perform in accordance with their contracts may be subject to remedies including termination, recovery of damages, or disqualification from future procurements.
- Alleged violations of this policy may be investigated by the CAO and reported to Council.

11.4 Audit

- Procurement activities are subject to audit by the Town's auditor or other independent authority as directed by Council.
- Findings of non-compliance will be reported to Council with recommendations for corrective action.

Section 12 – Policy Review & Updates

12.1 Review Cycle

- This policy shall be formally reviewed at least once every **four (4) years**, or sooner if required by changes in legislation, trade agreements, or best practices.
- The Treasurer, in consultation with the CAO, is responsible for initiating the review process and recommending updates to Council.

12.2 Amendments

- Amendments to this policy require Council approval by resolution.
- Minor administrative updates (e.g., title changes, legislative references, formatting) may be made by the Treasurer without Council approval, provided they do not alter the intent or application of the policy.

12.3 Effective Date

- This policy shall take effect upon Council approval and will replace all previous procurement by-laws and policies, including By-law 24-11 and any amendments thereto.