

	<b>Administration</b>	<b>Approval Date:</b> Nov. 1, 2018
Policy:	<b>Procurement Directive Policy</b>	<b>Effective Date:</b> Nov. 1, 2018
Policy N <sup>o</sup>	<b>E-15</b>	<b>Pages:</b> 7 <b>Revision Date:</b> October 25, 2024

**POLICY:**

Montage Support Services will abide by the Broader Public Sector Procurement Directive issued by the Government of Ontario’s Management Board of Cabinet under the authority of the Broader Public Sector Accountability Act, 2010, (Section 12).

**PURPOSE:**

The purpose of this policy is to:

- 1) Ensure Montage Support Services' publicly funded goods and services, including construction, consulting services, and information technology are obtained through an open, fair and transparent process, and follow the Broader Public Sector Procurement Directive Policy.
- 2) Ensure that anyone in the organization involved in the procurement process is aware of their responsibilities and accountabilities.
- 3) Establish internal controls over the authorization of procurement processes.
- 4) Ensure Montage Support Services seeks value for money when procuring goods, services, and consulting services.

**PRINCIPLES:**

The following are seven key principles allowing Montage Support Services to achieve value for money while following the Ministry Procurement Directives:

**Follows Organizational Values:** All procurements must be consistent with Montage Support Services’ Mission, Vision, and Values.

**Accountability:** Montage Support Services is accountable for the results of our procurement decisions and the appropriateness of the processes.

**Transparency:** Montage Support Services shall be transparent to stakeholders and wherever possible, ensure there is equal access to information on procurement opportunities, processes, and results.

**Value for Money:** Montage Support Services shall maximize the value it receives from the use of public funds.

**Quality Service Delivery:** Montage Support Services shall ensure direct support services, provided by Montage Support Service staff, receive the right product, at the right time, and place.

**Process Standardization:** Montage Support Services shall ensure standardized processes, remove inefficiencies and create a level playing field.

**Fiscal Responsibility:** Montage Support Services shall ensure optimal fiscal responsibility and balanced budgeting, ensuring that all expenditures are consistent with the approved operational budgets, grants, etc.

### **KEY DEFINITIONS:**

*Goods and Services* means any goods, construction and services, including technology, software, and consulting services, etc.

*Members of the Organization* means all members of the Board of Directors, Senior Management, and employees of Montage Support Services.

*Supply Chain Activities* means all activities directly or indirectly related to Montage Support Services' procurement of goods and services. This includes planning, sourcing, procurement, moving, and payment processes.

*Consultant* means a person or entity under an agreement, other than an employment agreement, providing expert or strategic advice and related services for consideration and decision-making.

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

*Non-consulting Service Provider* is an individual/company who contracts to provide services, other than consulting services to another individual or business. Examples may include "consultants" such as specialized medical services (for example: behaviour therapy, occupational therapy, physiotherapy), property maintenance services, property brokers, talent recruiters, or trainers.

*Contract* means 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 for the parties to intend their agreement shall have legal consequences and be legally enforceable. The essential elements of a contract are an offer and an acceptance of the offer, the capacity of the parties to contract; consideration to support the contract; a mutual identity of consent or consensus to agree; legality of purpose; and sufficient certainty of terms.

*Request for Proposal (RFP)* means a document used to request suppliers to supply solutions for the delivery of complex products 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.

## **SUPPLY CHAIN CODE OF ETHICS (CODE):**

Montage Support Services has formally adopted and will abide by the Supply Chain Code of Ethics (Code).

This Code will be made available and visible to all Montage Support Service staff, as well as to all suppliers and other stakeholders involved with the Supply Chain Activities. This Code will be posted on Montage Support Services' website.

### **Ontario Broader Public Sector (BPS) Supply Chain Code of Ethics**

**Goal:** Montage Support Services will ensure an ethical, professional and accountable BPS Supply Chain.

#### **I. Personal Integrity and Professionalism**

All Montage Support Service staff involved with the Supply Chain Activities will act, and be seen to act, with integrity and professionalism. Honesty, care and due diligence will be integral to all Supply Chain Activities within and between Montage Support Service suppliers and other stakeholders. Respect will be demonstrated for each other and for the environment. Confidential information will be safeguarded. Participants will not engage in any activity creating, or appear to create, a conflict of interest, such as accepting gifts or favours, providing preferential treatment, or publicly endorsing suppliers or products.

#### **II. Accountability and Transparency**

Montage Support Services will ensure the Supply Chain Activities will be open and accountable. In particular, contracting and purchasing activities will be fair, transparent and conducted with a view to obtaining the best value for public money. Montage Support Services will ensure public sector resources are used in a responsible, efficient and effective manner.

#### **III. Compliance and Continuous Improvement**

Montage Support Services will ensure individuals involved with purchasing or other Supply Chain Activities will comply with this Code of Ethics and the laws of Canada and Ontario. Montage Support Services staff involved with Supply Chain Activities continuously work to improve supply chain policies and procedures, to improve its supply chain knowledge and skill levels, and to share leading practices.

## **PROCESS FOR PROCUREMENT OF GOODS AND SERVICES**

Montage Support Services shall ensure all contracts entered by, or in the name of Montage Support Services will follow the requirements outlined in the Broader Public Sector (BPS) Procurement Directive.

Montage Support Services has an Approval Authority Schedule (AAS) established for the procurement of goods and services. This schedule identifies the authorities allowed to approve procurements for different dollar thresholds. The AAS has been approved by the Board of Directors.

**A) APPROVAL AUTHORITY SCHEDULE (AAS)**

<b>GOODS, NON CONSULTING SERVICES AND CONSTRUCTION</b>		
<b>Total Procurement Value</b>	<b>Means of Procurement</b>	<b>Approval Authority</b>
\$0 to \$49	Petty Cash	All Employees
\$50 to \$499	Petty Cash/Montage Credit Card	Manager
\$500 to \$2,999	Montage Credit Card	Management Director
\$3,000 to \$9,999	Written request [Purchase Order]	CEO
\$10,000 to \$121,199	Request for proposal inviting a minimum of 3 suppliers to submit a bid	CEO will make the final decision and will inform the board via a summary of responses and the rationale for the decision.
\$121,200 or more	Request for proposal with open competitive bid	CEO will prepare summary of responses and make rationalized recommendation to the Board of Directors who will make the final decision.
<b>CONSULTING SERVICES</b>		
<b>Total Procurement Value</b>	<b>Means of Procurement</b>	<b>Approval Authority</b>
\$0 up to \$24,999	Invitational or open competitive process.	CEO will make the final decision.
\$25,000 up to \$121,199	Invitational or open competitive process	CEO will make the final decision and will inform the board via a summary of responses and the rationale for the decision.
\$121,200 or more	Open competitive process	CEO will prepare a summary of responses and make rationalized recommendation to the Board of Directors who will make the final decision.

**B) SEGREGATION OF DUTIES**

Montage Support Services must separate three of the five functional procurement roles: Requisition, Budgeting, Commitment, Receipt and Payment. Responsibilities for these roles must lie with different departments or personnel. Where it is not possible to segregate these roles, adequate compensating controls approved by an external auditor must be in place.

Montage Support Services will not reduce the overall value of procurement (e.g.: dividing a single procurement into multiple steps) to circumvent the approval requirements.

<b>GOODS, NON CONSULTING SERVICES AND CONSTRUCTION</b>					
Type and Value	Requisition	Budgeting	Commitment	Receipt	Payment
\$0 to \$499	Manager	Finance Dept	Manager	Accounts Payable	Accounts Payable
\$500 to \$2,999	Management Director/CEO	Finance Dept	Management Director	Accounts Payable	Accounts Payable
\$3,000 to \$9,999	Management Director/CEO	Finance Dept	CEO	Accounts Payable	Accounts Payable
\$10,000 up to \$121,199	Invitational competitive procurement process (minimum suppliers are invited to submit a bid) Management Director/CEO	Finance Dept	CEO	Accounts Payable	Accounts Payable
\$121,200 or more	Competitive procurement process	Finance Dept	Board of Directors	Accounts Payable	Accounts Payable
<b>CONSULTING SERVICES</b>					
Type and Value	Requisition	Budgeting	Commitment	Receipt	Payment
\$0 - \$121,199	Invitational or open competitive process	Finance Dept	CEO	Accounts Payable	Accounts Payable
\$121,200 or more	Competitive procurement process	Finance Dept	Board of Directors	Accounts Payable	Accounts Payable

**C) PAYMENT APPROVALS:**

Invoices received pertaining to any procurements that have been approved as per the above directive will be paid in accordance with the following:

**Signing Authority: \$0 - \$499**

Subject to the standards outlined in this policy, any one signatory in a Manager role or a superior is delegated to sign or approve validated expenses of up to \$499.

**Signing Authority: \$500-\$2,999**

Subject to the standards outlined in this policy, any one signatory in a Management Director role or a superior is delegated to sign or approve validated expenses of \$500-\$2,999.

**Signing Authority - \$3,000 - \$9,999**

Subject to the standards outlined in this policy, the one required signatory is the CEO, or in the CEO's absence their designate plus one other Management Director, for validated expenses of \$3,000 - \$9,999.

**Signing Authority - \$10,000 to \$121,199**

Subject to the standards outlined in this policy, expenses exceeding \$10,000 must be signed by any two (2) signatories, one being the CEO, and the second being a Management Director. In the CEO's absence, their signatory is delegated to any one of the Board Chair, Board Vice Chair, or Board Treasurer.

**Signing Authority - \$10,000 and up NOT within the approved overall budget**

Subject to the standards outlined in this policy any binding document/expense not within the overall approved/amended budget and over \$10,000 requires the signature of the CEO (or, in their absence, their designate) AND at least one of Board Chair, Board Vice Chair, or Board Treasurer.

**Signing Authority - \$121,200 and up**

Subject to the standards outlined in this policy any binding document/expense exceeding \$121,200 must be signed by any two of Board Chair, Board Vice Chair, or Board Treasurer. If two are not available, any other Board Member may take the place of one of the signatories.

**D) CONFLICT OF INTEREST**

Individuals involved with the Supply Chain Activities and anyone aware of a conflict of interest must disclose the actual or potential conflict and where possible, proceed to withdraw from any activity causing the conflict. Where a conflict of interest arises, it must be evaluated and an appropriate mitigating action must be taken.

**E) EVALUATION:**

This policy will be evaluated and reviewed by the Montage Support Service Boards of Directors as required or as legislation changes.

**F) REFERENCES**

**<https://www.ontario.ca/files/2024-02/tbs-bps-procurement-directive-en-2024-02-08.pdf>**