



Procurement Policy

Approval Authority: Board of Directors
Responsible Manager: Chief Operations Officer

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The Procurement Policy will be reviewed every three (3) years. The next scheduled reviewed is May 24, 2026.



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1. Purpose and Interpretation

1.1 The policy sets out requirements to support the efficient, timely and cost-effective procurement of goods and services on behalf of the Real Estate Council of Ontario (RECO) through a process that is competitive, fair, open, and transparent based on principles contained in the Government of Ontario's Procurement Directive and leading practices in the broader public, not for profit and private sectors. It is intended to outline responsibilities of RECO employees through every stage of the procurement process and to provide all RECO employees with clear guidelines consistent with leading practices. The policy supports RECO's goal of demonstrating integrity and transparency expected from RECO and its employees in all procurement-related decisions.

1.2 The following terms shall have the following meanings:

"CEO" means RECO's Chief Executive Officer

"COO" means RECO's Chief Operations Officer

"Invitational procurement" means any competitive procurement process where a minimum of three qualified suppliers are invited to submit a bid, and could also include a public posting to permit others to also submit a bid (i.e. quote or proposal)

"Direct purchase" is the purchase of goods or services whereby vendors are approached directly with specific requirements for goods or services instead of posting an RFX on a public platform

"Open competitive procurement" means a process where the invitation to compete is posted publicly using a reputable online tendering system and permitting any qualified vendor to submit a bid

"SMG" means the senior management group at RECO, including the CEO and those appointed by the CEO.

"RFX" is an acronym for a request for [X], where x stands for Information (RFI), Proposal (RFP), or Quotation (RFQ)

"Standing offer" is an agreement between RECO and a service provider regarding the rates, terms, and conditions to be applied to services that may be supplied at a future date on an "as and when required" basis



“Vendor of Record (VOR)” means the Ontario Public Sector (OPS) list of offers and supply arrangements for goods or services.

2. Responsibilities

- 2.1 The COO oversees the administration of the policy, and sets the strategic direction of RECO’s purchasing policy, in consultation with SMG and the Director, Finance & Accounting
- 2.2 The Director, Finance & Accounting is responsible for the administration of the Policy, and shall provide to the COO such reports in that respect, as the COO may require from time to time.
- 2.3 Any deviations from the policy are to be documented and approved by the COO and by the CEO with copies of the approval to the accounting department.

3. Scope

The policy applies to the procurement of all goods and services made on behalf of RECO.

4. Legal and Policy Context

The policy is to be interpreted in line with the legal and policy framework, with the intention of adhering to relevant law and policy, including but not limited to:

Canada Not-for-Profit Corporations Act, S.C. 2009, c.23, as amended

Real Estate and Business Brokers Act, 2002, S.O. 2002, c.30, Sch. C, as amended

Safety and Consumer Statutes Administration Act, 1996, S.O. 1996, c.19, as amended

The Administrative Agreement between RECO and His Majesty the King in right of Ontario as represented by the Minister of Public and Business Service Delivery

RECO’s Policy on Delegation of Authorities

5. Principles and Other Considerations

The objective of the policy is that RECO acquires the goods and services required to meet their needs in the most economical and efficient manner, through procurement processes that conform to the following principles:



Value for Money

Goods and services must be procured only after consideration of RECO's business requirements, alternatives, timing, cost, supply strategy, and procurement method.

Vendor Access, Transparency, and Fairness

Qualified vendors must be given open access to compete for business in accordance with the policy. The procurement process must be conducted in a fair and transparent manner. Conflicts of interest, both real and perceived, must be avoided during the procurement process and any ensuing contract.

Responsible Management

The procurement of goods and services must be responsibly and effectively managed through appropriate organizational structures, systems, policies, processes, and procedures.

Geographic Neutrality and Reciprocal Non-Discrimination

RECO is subject to Ontario's Trade Agreements and must ensure that access for vendors to compete for government business is geographically neutral with respect to other jurisdictions that practice reciprocal non-discrimination with Ontario.

Ethical Considerations

All purchases made on behalf of RECO shall be consistent with RECO's Employee Conduct policies. RECO employees involved in purchasing will discharge their duties honestly, forthrightly, objectively and with integrity. RECO employees shall not use their official capacity or company time to negotiate or conduct personal purchases for themselves or others.

Accessibility Considerations

RECO will consider facility accessibility when procuring deliverable goods and services. RECO will take all reasonable steps necessary to comply with:

- *Accessibly for Ontarians with Disabilities Act, 2005 (AODA)* and applicable regulations
- *Ontario Human Rights Code (HRC) R.S.O. 1990, CHAPTER H.19*
- *Ontarians with Disabilities Act, S.O. 2001, CHAPTER 32*

Environmental, Social and Governance (ESG) Considerations

RECO will consider the environmental and social impacts of its procurement activities in a transparent and accountable way that balances fiscal responsibility, social equity, and environmental stewardship.

Requirements Based

To promote a fair and competitive procurement process, all goods or services being purchased must have clearly defined requirements. If a business case is required in



accordance with section 6.1.1, it should include these requirements. If research is conducted to develop these requirements, it must be done independently of potential vendors. An RFI can be used to assist with the creation of requirements, however it must be made clear that no contract will result.

6. Policy

The policy covers all procurement activities from planning to contract negotiation outlined herein. Information regarding the administration of document and records retention is found in section 7 of the policy.

6.1. Planning

Department managers are to communicate their proposed annual procurement activities to the accounting department as part of the budget preparation process to ensure applicable resources are available to support the process.

6.1.1. Initiating Procurement

Requisitioning departments are to only procure goods and services within the approved department/project budget. The department manager is responsible for all procurements, but may delegate the administrative process to any knowledgeable person in the department. **A business case is required for all purchases greater than \$10,000 prior to commencing any procurement activities.** Refer to the *Policy on Sub-Delegation of Authorities* for guidance on re-purposing budget if required. **The business case must include clearly defined requirements to be included in the purchase request and must be approved by both the manager and the corresponding member of SMG.** If the procurement method will be non-competitive, in accordance with section 6.7, the business case shall include sufficient and reasonable justification.

6.1.1.1. Consulting or Professional Services

The need for assistance in the performance and delivery of required services, excluding Human Resources (employees or agency staff), will periodically necessitate the engagement of external service providers.

RECO shall not purchase external consulting or professional services where existing internal resources are available for the assignment, unless otherwise approved by the applicable SMG member. Managers, in consultation with Human Resources, shall identify cost-effective opportunities where outsourced work can be brought back internally using existing workforce capacity.

6.1.1.2. Information Technology

Departments requesting any computer-related equipment shall refer such requests to the Director, Information Technology (IT).



6.1.1.3. General Office Supplies

Departments requesting any general office supplies shall refer such requests to the Director, Human Resources or a higher-level manager.

6.2. Procurement

The procurement value includes an estimate of the **full aggregate costs** over the total expected contract term and is exclusive of taxes. The expected contract term includes any optional extensions or renewal provisions in the agreement that may exercised without a new competitive process. No action shall be taken to reduce the value of the procurement to avoid any requirements regarding competition, approval levels or reporting.

Vendor arrangements will not exceed six (6) years (including any renewal periods) without a new competitive process, unless approved by the CEO. For single or sole source arrangements, the existing business case (which includes the justification for single or sole source) must be reviewed and updated every 6 years to assess if the facts and circumstances still apply. If not, the business case must be revised and approved by both the manager and the relevant SMG member, or a competitive process will be undertaken in accordance with section 6.2.1.

Where an invitational bid solicitation or open competitive procurement is required, the RFX issued will vary depending on the purchase.

RFQ’s are generally used when exact specifications are known where vendors will be competing solely on price. RFP’s are generally used when vendors are being asked to propose solutions to a problem or business requirements and where price is not the sole criterion. A Request for Information (“RFI”) can be issued before an RFP if the marketplace is not well understood, or a range of options are being considered.

6.2.1. Procurement Methods

6.2.1.1. Goods or Services Other Than Consulting or Professional Services

Procurement Value	Minimum Procurement Method	RFX template required?	Business case template required?	Minimum number of days the RFX needs to be open for response
Up to and including \$10,000	Direct purchase	No	No	N/A
\$10,000 up to and including \$30,000	Direct purchase with a minimum of three bids	No	Yes	N/A
\$30,000 up to and including \$100,000	Direct purchase with a minimum of three bids with RFX template	Yes	Yes	5 business days
Above \$100,000	Minimum of three bids with RFX posted on a public platform	Yes	Yes	15 business days



6.2.1.2. Consulting and Professional Services

Procurement Value	Minimum Procurement Method	RFX template required?	Business case template required?	Minimum number of days the RFP needs to be open for response
Up to and including \$10,000	Direct purchase with a minimum of three bids	No	No	NA
\$10,000 up to and including \$100,000	Direct purchase with a minimum of three bids with RFX template	Yes	Yes	5 business days
Above \$100,000	Minimum of three bids with RFX posted on a public platform	Yes	Yes	15 business days

6.2.2. Ontario Public Sector (OPS) Vendor of Record (VOR)

RECO is a registered non-OPS client under the Ministry of Public and Business Service Delivery's VOR arrangement.

Where VORs have been established, RECO will consider leveraging the VOR to negotiate better pricing for any relevant procurements. Where three bids are required, vendors may be solicited from the VOR list.

6.2.3. Standing Offers

RECO will require specialized consulting or professional services on an ad hoc basis to support its operations (e.g., external legal counsel to defend against a lawsuit or to prosecute a matter in times of high workload for in-house counsel, recruitment, etc.) from time to time. Given the nature of these activities, it may not be possible to determine, in advance, the value of the services. Further, time constraints in dealing expeditiously with such matters may preclude compliance with the full requirements of the policy. To address this situation, RECO can proactively pre-qualify service providers through a "standing offer" process.

A "standing offer" is an agreement between RECO and a service provider regarding the rates, terms, and conditions to be applied to services that may be supplied at a future date on an "as and when required" basis. An impartial process is used to solicit interest from qualified service providers. A standing offer agreement will be entered into with one or more vendors who meet RECO's qualifications and criteria for the specified services. When a need for the service arises, a vendor with the most appropriate rates and expertise will be selected. No further quotation or approval is necessary, however the agreements shall be arranged in such a way that the service provider is obligated to provide regular billing updates.



6.3. Solicitation

All open competitive processes will be posted publicly using a reputable online tendering system. Managers are responsible for ensuring that substantive deviations from standard RFX templates are reviewed by RECO legal counsel. For confidential solicitations, vendors must first sign a Confidentiality & Non-Disclosure Agreement.

From the time the RFX is released until the submission deadline, RECO is prohibited from contacting individual vendors. Any inquiries from vendors must be responded to publicly to create an unbiased knowledge base that is consistent for all vendors.

6.4. Evaluation Methodology

Managers, in consultation with the Director, Finance & Accounting, will set out the evaluation process and criteria. For competitive processes, the evaluation criteria will be clearly outlined in the RFX. When determining and documenting evaluation criteria for the procurement, the manager shall:

- Clearly articulate all mandatory requirements (indicating pass /fail scoring)
- Allocate the maximum justifiable weighting to price and appropriately balance technical, functionality, and quality, attributes
- Specify how pricing will be evaluated
- Specify weights for rated criteria
- Specify minimum technical evaluation scores, if applicable
- Specify any special requirements such as interviews, demonstrations, and/or reference checks

For all purchases greater than \$30,000, Managers, in consultation with the Director, Finance & Accounting, will also form a suitable evaluation team of at least 3 members. Each evaluation team member will sign off on the final scoresheets once complete.

Bids not received by the deadline must be returned.

Once all bids have been received, the person responsible for the RFX must ensure that each member of the evaluation team independently scores each response. The scores will be collated by the responsible person, and the evaluation team will convene to discuss the scoring and create a shortlist of vendors. The shortlisted vendors will be interviewed using a standardized format and set of questions to achieve a level playing field. After the interviews, the evaluation will meet again to share scores and select a winner.

6.5. Failed Procurements



RECO has the right to cancel any RFX, at its sole discretion, at any time during the procurement process. This fact is to be included in all RFX documentation.

6.6. Approval of Successful Proponent

All bids are evaluated consistently, according to the evaluation methodology documented and communicated to potential proponents, and the highest ranked proponent is selected. The individual responsible for the RFX will notify the highest ranked proponent, and initiate negotiations in order to finalize a contract. Unsuccessful proponents should only be informed once a contract with the successful vendor has been executed.

Managers will make certain that the selection of the successful proponent is approved in accordance with the authorization of contract parameters of RECO's Sub-delegation of Authorities Policy.

6.7. Non-Competitive Procurements

6.7.1. Single or Sole Source Purchases

Single source 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 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. RECO may, at its discretion, choose to align sole source procurements with the renewal cycle of the OPS VOR arrangements.

RECO policy is to avoid single or sole source purchases wherever possible.

6.7.2. Urgent/Emergency Procurements

Where a non-competitive procurement is required due to an unforeseeable situation of urgency, the procurement process can be accelerated with approval from the applicable SMG member.

An unforeseen situation of urgency does not occur where RECO has failed to allow sufficient time to conduct a competitive procurement process.

6.7.3. Exceptions

Any exceptions to the policy must be documented and approved by the appropriate SMG member.

6.8. Contracts

6.8.1. Form



Contracts must be written in the name of RECO and prepared using RECO's standard forms, unless otherwise authorized by RECO legal counsel. Legal counsel must review all contracts to ensure compliance with RECO policies and applicable laws. Confidential information about RECO, its registrants, customers, clients, suppliers, or employees shall not be divulged to anyone other than persons who are authorized to receive such information. A confidentiality agreement/provision will form part of a contract that is entered into between RECO and a vendor when it is necessary to maintain the confidentiality and integrity of the process.

6.8.2. Amendments

In the event of a contract extension due to an increase in the scope of work or other contractual terms, the manager shall prepare a decision note to all affected parties outlining the reasons for the scope change and obtain all necessary additional approvals. All increases in cost are to be approved by the appropriate SMG member. A copy of the amendment shall be forwarded to the accounting department.

6.9. Performance Management

Once a contract has been executed, the manager will be responsible for monitoring vendor performance to ensure all work is completed within the terms and conditions of the contract.

7. Document and Records Retention

7.1. Retention

- i. The accounting department will maintain a centralized electronic repository for all purchases and all contracts, including the original procurement information, supporting documentation, contracts, and invoices.
- ii. Managers will be responsible for uploading all relevant documents and materials to the site at the following link: [Contracts - All Documents](#)
- iii. Documentation will be maintained as applicable under the Data Retention and Disposal Policy.

8. Supporting Documentation

- RFX templates
- Request to procure template (business case)
- Contract authorization template
- Evaluation and scoring templates



- Standard forms of contract templates drafted by legal
- Policy on Reimbursements of Expenses
- Policy on Delegation of Authorities
- Policy on Sub-delegation of Authorities
- Confidentiality & Non-Disclosure Agreement