

POLICY TITLE:	Procurement
CATEGORY:	Administrative
POLICY NUMBER:	ADMIN-003
POLICY OWNERS:	Finance and Operations

1.0 LEGAL

The Vancouver Charter and the Societies Act, the Vancouver Economic Commissions ('VEC') bylaws (and other applicable legislation) does not permit any employee or officer to purchase or enter into Contracts or dispose of anything owned by the VEC unless the VEC Board of Directors has delegated such authority to such employee or officer in writing. The intent of this policy is that it be approved by both the VEC Finance and Audit Committee and the VEC Board of Directors so as to set out the extent of certain VEC employees' and officers' restricted legal authority to undertake the actions expressly authorized under this policy.

2.0 SCOPE

Subject to the approvals and adoptions referred to in the Section 1 above, this policy applies to the VEC only.

3.0 PURPOSE

This policy sets out the requirements for the procurement of goods, services and construction as well as the disposition of surplus assets.

The VEC, in the performance of the duties and responsibilities assigned to it, must engage in the procurement of goods and services. In order to achieve the maximum economy, efficiency, effectiveness, and sustainability (social, environmental & economic) in the performance of this function, the VEC has endorsed certain fundamental principles it considers applicable to public purchasing.

4.0 ADMINISTRATION OF POLICY

The Senior Manager, Finance and Operations, is the owner and administrator of this policy. Except where separately authorized by the CEO or VEC board of Directors, all procurement and disposition activities are to be administered by the Senior Manager, Finance and Operations.

5.0 ADMINISTRATION OF CONTRACTS

Following the Senior Manager, Finance and Operations exercise of its primary authority over the Call, and where a Contract results from the Call, the responsible member of the VEC Management team will have the primary responsibility for proper administration and enforcement of the Contract, subject to the review of COV Legal Services (where a legal enforcement step is required) and subject to this Procurement Policy (where any change to

the Contract requires the approval of the Senior Manager, Finance and Operations or the CEO).

6.0 TRANSACTIONS NOT SUBJECT TO THIS POLICY

The following Contracts and types of transactions are not covered by this policy (but may be governed by other applicable VEC policies):

- Purchase of regulated tariffed services (e.g. electricity, transmission portion of natural gas, cable, tariff portion of non-wireless telecommunications services);
- Grants or transfers to the VEC from other governmental authorities;
- Tax rebates;
- Grants or donations to the VEC from non-governmental third parties;
- Grants, payments, or donations to the VEC from non-governmental third parties including agreements having as their primary purpose; sponsorships (except as set out in the Sponsorship Policy), naming rights, or event or sport hosting rights;
- Funding Agreements
- Real property acquisitions (including leases and licenses);
- Retaining external legal counsel and related experts (such as expert witnesses) in the course of providing legal advice to the VEC;
- Non-Competitive Sponsorship Arrangements as defined in the Sponsorship Policy except to the extent that the Sponsorship Policy expressly incorporates by reference this Policy into its provisions on Non-Competitive Sponsorship Arrangements.

7.0 DEFINITIONS/INTERPRETATION

A. Interpretation

- All references in this policy to an employee, official, officer or other representative of the VEC is deemed to include any designate, deputy, or anyone else properly authorized in writing or by the CEO or VEC Board of Directors to act in that person's position.
- Where a position title or name is changed following the adoption of this policy, due to a re-organization of the VEC's functions, or for any other reason, the CEO will have the authority to amend this policy to reflect such change or re-organization.
- The CEO (in consultation with the Senior Manager, Finance and Operations and COV Legal Services) to approve (in writing) any request from any member of the VEC Management Team for authority to sub-delegate any authority granted in this policy to a member of the VEC Management Team.

B. Definitions

In this policy, the following terms have the following meanings:

Award: The decision by a VEC member (as authorized by this policy) to enter into a Contract.

Best Value: The optimal combination of Total Cost of Ownership, economic sustainability, environmental sustainability, social sustainability, reduced carbon dependency, and zero waste as determined in accordance with the specific criteria and weighting for each criterion established by the VEC for the applicable procurement and for Revenue-Generating Contracts the highest Total Price after discounting for all applicable criteria being utilized for the Call, such as security for payment, risk of default, social and environmental factors, etc.

Bid: Depending on the type of Call, either:

- a. a legally binding tender or quotation which upon written acceptance by the VEC, automatically creates a Contract, or
- b. a non-binding quotation or proposal which forms a basis of a negotiated Contract, or
- c. any non-binding pre-qualification submission or expression of interest or request for information which may form the basis of a subsequent Call.

Bidder: Any legal entity submitting a Bid in response to a Call.

Call: Any request or invitation by the VEC for a Bid (for example, requests for proposal, requests for expressions of interest, invitations to tender, invitations to quote, invitations to offer).

COV: The City of Vancouver.

COV Solicitor: The person appointed by COV Council as the COV Solicitor.

COV CPO: The person appointed by COV Council as the COV Chief Procurement Officer.

Contract: A Contract for the purchase by the VEC of goods and services or for the disposition of assets by the VEC. For further certainty, a Contract includes documents that create or modify or may create or modify legal rights and obligations:

- purchase order
- work order
- change order
- memorandum of understanding, letter of understanding, letter of intent, or similar
- standing offer
- supply arrangement
- notice or other communication to a prospective supplier prior to a Contract, including notice to award, conditional notice to award, notice or permission to proceed or start work prior to Award or Contract
- assignment or consent to assignment of a Contract
- security for performance of a Contract such as a letter of credit, bond, insurance, deposit, security interest, and other financial instruments,
- Sponsorship Agreements resulting from Competitively Procured Sponsorship Arrangements (both as defined in the Sponsorship Policy), and

- renewals, extensions, modifications or amendments to any of the above.

Commitment Authority: The authority to Award a Contract.

Construction: Construction, reconstruction, deconstruction, demolition, repair or renovation of a building, structure, infrastructure or other civil engineering or architectural work and includes site preparation, excavation, drilling, seismic investigation, the supply of products and materials, the supply of equipment and machinery if they are included in and incidental to the construction, and the installation and repair of fixtures of a building, structure, infrastructure or other civil engineering or architectural work, but does not include professional consulting services related to the construction Contract unless they are included in the Contract (for example a design-build Contract). Not included within this policy; the majority of this type of procurement will include consultation with the COV REFM and/or SCM.

Co-operative Purchasing: Procurement by the VEC in cooperation with other Public Sector Entities.

Manager: An employee who reports to a VEC Management Team member where that VEC Management Team member has expressly delegated to that employee (or employee's position) the Commitment Authority referred to in Row 2 of Table 1 of this Procurement Policy.

Economic Sustainability: Providing and enhancing the services, infrastructure and conditions that sustain healthy, diverse and resilient local economy in which businesses of all sizes, and their employees, can flourish.

Environmental Sustainability: Protecting and enhancing the climate, ecology and natural resources for future generations through approaches that reduce carbon dependency, enhance energy resilience, conserve energy and resources and reduce waste and toxins.

Extension: Any extension or renewal or other amendment to a Contract which results in the Maximum Contract Term being lengthened (and "Extend" will have the analogous meaning).

Funding Agreement: A contractual agreement between VEC and one or more other parties where VEC receives funding from that party or those parties in return for or on condition that VEC utilizes the funding to provide a service, deliver a project, or achieve some other defined outcome, including without limitation and for example, agreements with a third party where that party pays for VEC to deliver research, strategy, programs, events or services. The other contracting party or parties could be with any-level of government, industry associations, private or not-for-profit organizations.

Funding Authority: Means that there is sufficient and authorized budget for the Contract anticipated by the Call and that the funding is confirmed and approved for expenditure:

- with respect to the VEC, in full compliance with the Operating Budget Policy, and
- with respect to all VEC staff, in full compliance with the expenditure limits and controls outlined in the Financial Spending Authorities Policy.

Leases: Not included within this policy, the VEC shall consult with to the COV REFM and/or SCM.

Living Wage Employee: Any and all employees of a vendor and subcontractors of vendors that perform services for the VEC on a property leased to the VEC for at least one consecutive hour, but excluding students, volunteers and employees of Social Enterprises.

Maximum Contract Term: Means the maximum years (including all options to extend or rights of renewal) in respect of a Contract as set by this policy.

Permitted Sole Source: A sole source Contract of the type described in section 9.1 below.

Person with Barriers to Employment: a person who faces one or more circumstances that can lead to underemployment or unemployment.

Public Sector Entities: Other municipal, regional, provincial, federal, or governmental authorities or entities carrying out a public function.

Reduced Carbon Dependency: Reduction in the amount of carbon emitted in the operation, maintenance and disposal of goods and services purchased.

Response: The submission of a bid in response to a Call.

Revenue-Generating Contract: Any Contract which requires or contemplates revenues derived from the Contract to be paid to VEC.

Senior Manager, Finance and Operations: The person designated from time to time by the CEO to oversee and lead Supply Chain matters on behalf of the VEC.

Signing Authority: The authority to execute and deliver the Contract.

Social Enterprise: A business that:

- is owned by a non-profit organization or community services co-operative;
- is directly involved in the production and/or selling of goods and services for the combined purpose of generating income and achieving social, cultural, and/or environmental aims; and
- has a defined social and/or environmental mandate.

Social Sustainability: Cultivating and sustaining vibrant, creative, safe, affordable and

caring communities for the wide diversity of individuals and families who live in, work in and visit Vancouver and beyond. For a community to be socially sustainable the basic needs of its residents must be met, it must be able to maintain and build on its own resources and prevent and/or address problems as they arise.

Solicitation: The process of communicating the call to prospective bidders.

Sustainability: Meeting the social, environmental and economic needs of the present without compromising the ability of future generations to meet their needs.

Total Price: The estimated Total Price payable for all goods and services under the Contract over the entire term of the Contract (but not including options to purchase additional goods or services during the term which may or may not be exercised; nor including the value of goods, services and construction for any renewed optional Contract term, and not including any sales or other taxes payable). For Revenue- Generating Contracts, the estimated or anticipated gross revenue to be received by the VEC over the Maximum Contract Term. For dispositions or sales of assets, the estimated total price payable by the purchaser to the VEC for the asset.

Total Cost of Ownership: The direct social, environmental and financial costs and benefits to VEC of products, construction and services during their acquisition, use and end-of-life phases (i.e. lifecycle costs) including factors such as transportation emissions, training, economic development impacts, energy consumption, disposal and other related costs after taking into account sustainability, reduced carbon dependency, and zero waste.

Un-Solicited Proposals: An un-solicited proposal received by VEC independently of a Call. Un-Solicited Proposals are typically submitted by third parties wishing to sell certain goods or services to VEC. For further certainty, a Non-Competitive Sponsorship Arrangement, as that term is defined in the Sponsorship Policy, is not an Un-Solicited Proposal under this Policy.

VEC Affiliates: Means the following affiliates to the VEC; City of Vancouver (“COV”).

VEC Management Team Member: An employee who reports to the CEO where that Management Team member has expressly delegated to that employee (or employee’s position) the Commitment Authority referred to in Row 3 of Table 1 of this Procurement Policy.

Zero Carbon: Eliminating the dependence on fossil fuels and minimizing the release of greenhouse gases by reducing energy demand and converting to renewable energy sources and low carbon fuels.

Zero Waste: Eliminating solid waste by reducing the demand for new goods and materials, reusing old goods, materials and component parts and recycling and composting

remaining materials. Residual waste is minimal.

8.0 POLICY STATEMENTS

8.1 Goals

- 1.1.1. An open, transparent, competitive procurement process that:
 - a. provides Best Value for VEC and Vancouver citizens;
 - b. minimizes Total Cost of Ownership;
 - c. incorporates wherever possible, sustainable and ethical procurement considerations as integral evaluation components considerations in supply selection;
 - d. applies leading practices; risk mitigation strategies and strong financial controls to the procurement process.
- 1.1.2. Ensure compliance with the VECs policies and by-laws, the Vancouver Charter, the Societies Act, inter- provincial, national, and international trade agreements that are binding on the VEC and all other provincial and federal laws and regulations that apply to the procurement of goods and services.
- 1.1.3. Maximize Best Value and minimize Total Cost of Ownership by:
 - a. ensuring that the VEC utilizes the COV Supply Chain to conduct all Calls and wherever possible avoid sole source Contracts and avoid Calls that do not utilize the expertise of Supply Chain;
 - b. ensuring that the terms of Contracts, and the frequency with which the VEC undertakes competitive Calls for each category of goods and services is optimized to obtain Best Value and minimize Total Cost of Ownership.

8.2 References

- 8.2.1 This policy must be read and applied in conjunction with the following related policies listed in the Related Policies section on the last page of this policy document.

8.3 COV Solicitor Requirements

- 8.3.1 All Contract, Call, and Award documents will be on standardized templates with standard terms and conditions approved by the COV Solicitor or COV legal team

delegate. Any deviation from the standardized terms and conditions or any material deviation from the approved use of such documents requires the prior review and approval of the COV Solicitor or COV legal team delegate.

- 8.3.2 The concurrence of the COV Solicitor and/or COV legal team delegate is required on the Award of any Contract which has a Total Price in excess of \$100,000.
- 8.3.3 Any continuous or repetitive series of Contracts that appear to be structured so as to avoid the approval requirements set out in this policy will be reviewed by the Senior Manager, Finance & Operations or CEO and reported to the COV Solicitor and/or COV legal team delegate and the COV Chief Procurement Officer.

8.4 Competitive Bidding and Maximum Contract Term

- 8.4.1 General Policy is Open, Public Competitive Procurement.

Except where otherwise permitted in this policy, the VEC will procure all Contracts through an open, public, competitive Call.

- 8.4.2 General Policy is to Limit Contract Term to Maximize Competitiveness.

In furtherance of sections 8.1, 8.3.1 and 8.12, the Senior Manager, Finance and Operations or CEO will set the Maximum Contract Term for each Call, in consultation with the VEC Management Team member. For proposed Maximum Contract Terms of two (2) years or greater, such terms will be approved by in accordance with the authorities in Table 1 before Calls being issued by the Senior Manager, Finance and Operations or CEO. In the event of any disagreement, the Senior Manager, Finance and Operations or CEO will determine the Maximum Contract Term.

- 8.4.3 No Public Call Required on Purchases \$50,000 or Less.

The Senior Manager, Finance and Operations will endeavor to obtain three bids for Contracts that are expected to have a Total Price of no more than \$50,000 for goods and services. The Senior Manager, Finance and Operations may obtain prices from internal price records or sources or solicit prices from known suppliers.

- 8.4.4 Public Calls on Purchases over \$50,000.

The Senior Manager, Finance and Operations will endeavor to procure Contracts that are expected to have a Total Price of more than \$50,000 for goods and services through a public Call. Solicitation will be by way of posting the Call particulars through an electronic bidding system accessible to the general

public. In addition to posting through the electronic means, local, regional, national, or international advertising may be carried out at the discretion of the Senior Manager, Finance and Operations where it is deemed appropriate.

8.5 Call Issuance Authority and Commitment Authority Limits

- 8.5.1 Except where expressly granted under this policy or the Sponsorship Policy, only the Board having jurisdiction has Commitment Authority, Signing Authority, or the authority to issue a Call.
- 8.5.2 Subject to Section 8.5.3, the Senior Manager, Finance and Operations or the CEO, in consultation with the COV Chief Procurement Officer has the exclusive authority to issue any Call once Funding Authority is established. However, for any Call that is designed to procure multiple Contracts (for example requests for standing offers, requests for applications, multiple vendors or split Awards) which are reasonably estimated to exceed \$50,000 in aggregate, such Calls will be approved in accordance with the authorities in Table 1 before being issued by the Senior Manager, Finance & Operations, with subsequent Commitment Authority and Signing Authority for each Award being authorized in accordance with Table 1.
- 8.5.3 Despite Section 8.5.2, the authority to issue any Call for a Sponsorship is governed by sections 7.2 and 10.1 of the Sponsorship Policy.
- 8.5.4 Each of the following members or committee of the VEC set out in Table 1 below has the following Commitment Authority, subject to the following conditions:
- a. The Contract does not exceed the Total Price indicated in Table 1 below for the member or committee.
 - b. The Contract term does not exceed the Maximum Contract Term.
 - c. There is Funding Authority for the Contract.
 - d. The member or committee or the Senior Manager, Finance and Operations has determined in good faith that the Contract represents Best Value to the VEC based on the criteria set out in the Call documents.
 - e. Where the Total Price is over \$100,000 the COV Solicitor has concurred on the Award.

Table 1 – Commitment Authority and Signing Authority

Total Price	Commitment Authority (Award to be Approved by All, not just one of the Named Below)	Signing Authority (Contract to be Signed by All - not just one of the Below)
Up to \$1,000	VEC Management Team Lead	Senior Manager, Finance & Operations; and CEO
\$1,001 to \$50,000 ¹ , ²	VEC Management Team Lead	Senior Manager, Finance & Operations; and CEO
\$50,001 - \$150,000 ^{1,2}	Senior Manager, Finance & Operations; and VEC Management Team Lead	Senior Manager, Finance & Operations; and CEO
Greater than \$150,000 ^{1,2}	Senior Manager, Finance & Operations; VEC Management Team Lead; and VEC Board	Senior Manager, Finance & Operations; and CEO; and Finance and Audit Committee member

¹ The VEC will refer to COV Solicitor for legal support in drafting any agreement which is not on COV Solicitor-approved template or (whether or not on an approved template) exceeds \$5,000 in Total Price. The exception to obtaining COV Solicitor support is for office supplies under \$5,000.

² The VEC will defer to COV CPO for guidance in procurement greater than the associated Total Price.

8.5.5 Awards that do not meet the criteria set out in Section 8.5.3 above must be approved by the CEO if Total Price is \$75,000 or less and by the VEC Board of Directors if over \$75,000.

8.6 Signing Authority

8.6.1 Contracts that require the approval of the COV Solicitor pursuant to section 8.3 of this policy must be signed by the COV Solicitor in addition to the authorized signatories referred to in Table 1 above.

8.7 Change Orders (and any Other Changes to Contracts)

8.7.1 This section sets out the limited authority to make any change to any Contract governed by this policy.

8.7.2 The authority set out in this section is separate and apart from Funding Authority restrictions on capital and operating budget transfers.

8.7.3 Under Limit Changes - Where a change to a Contract will increase the Total Price but not in excess of the Funding Authority and the change in Total Price will not exceed the materiality thresholds set out in Table 2 below (in the aggregate taking into account all prior changes), the change will be authorized if one of the following conditions are met:

- a. The change is on a form or template
 - (i) approved by the COV Solicitor and then completed and approved to the satisfaction of the Chief Procurement Officer, or
 - (ii) completed and approved in its completed form by the COV Solicitor.

8.7.4 Over Limit Changes - Where a change to a Contract will increase the Total Price but not in excess of the Funding Authority and the change in Total Price will exceed the materiality thresholds set out in Table 2 below (in the aggregate taking into account all prior changes), the change will be authorized if the following conditions are met:

- a. The change is on a form or template
 - (i) approved by the COV Solicitor and then completed and approved to the satisfaction of the Chief Procurement Officer, or
 - (ii) completed and approved in its completed form by the COV Solicitor,

and
 - (iii) The change document is approved and signed by the VEC person or body set out in Table 1 as having the requisite Commitment Authority and Signing Authority for the change (except that “Total Price” is to be read as “change in Total Price” for the purposes of this section).

Table 2 – Materiality Thresholds

Original Total Price	Materiality Thresholds
Under \$50,000	15% of original Total Price
\$50,000 or More	10% of original Total Price

- 8.7.5 Limits are Cumulative - The above materiality thresholds are cumulative and apply to all changes to the Total Price over the term of the Contract and not merely to each individual change.
- 8.7.6 Over Funding Authority - Changes to Contracts that increase the Total Price beyond the Funding Authority require further Funding Authority prior to being authorized under this section.

8.8 Contract Renewals / Extensions

8.8.1 Contracts may not be Extended past the Maximum Contract Term except in accordance with this section 8.8.

8.8.2 Contracts may only be Extended where one of the following conditions are met:

- a. The Extension is a Permitted Sole Source.
- b. There is (or is about to be) a new Call for the goods or services being provided under the expiring Contract and the Extension is approved by the Senior Manager, Finance and Operations or CEO so as to provide time to complete the new Call.

8.9 General Exceptions to Competitive Process – Permitted Sole Source

8.9.1 Permitted Sole Source

Despite Section 4.1 above, competitive bidding is not required and a Contract may be sole sourced (“Permitted Sole Source”) if

- a. Urgent Life & Safety Matter - all of the following conditions have been met:
 - (i) the CEO (if the Total Price exceeds \$50,000) or the Senior Manager, Finance and Operations or VEC Management Team member (if the Total Price is not more than \$50,000) has determined that goods, services or construction are urgently required and bypassing the VEC’s competitive procurement process is, in the CEO’s /Senior Manager, Finance and Operations/ VEC Management Team member’s determination, reasonably necessary to protect human, animal or plant life or health;
 - (ii) the COV CPO has received written confirmation of the CEO’s/Senior Manager, Finance and Operations/VEC Management Team member’s determination in section (i). above;
 - (iii) The Senior Manager, Finance and Operations engages COV SCM to post (as soon as practical in the circumstances) a Notice of Contract on the COV web-site or such other public forum as the Senior Manager, Finance and Operations in consultation with COV SCM may deem appropriate, advertising the VEC’s decision to enter into a Contract without a public competitive procurement process;
 - (iv) The form of Contract has been approved by the COV Solicitor; and
 - (v) The Contract is approved and executed in accordance with Table 1 (Commitment Authority and Signing Authority) according to the Total Price

of the sole source Contract, except that where the approving authority is VEC Board of Directors, the Contract may instead be approved and signed by the CEO or VEC FAC or VEC Board (if over \$25,000) and Senior Manager, Finance and Operations (if not over \$25,000).

b. Single-Supplier or Other Exigent Circumstances Precluding an Effective Competitive Procurement all of the following conditions have been met:

(i) The Senior Manager, Finance and Operations or COV Solicitor has determined that the contemplated sole source will obtain Best Value for the VEC and will not violate any applicable trade agreement governing the VEC;

(ii) The CPO has posted (for at least 14 days or such longer period as the Senior Manager, Finance and Operations considers appropriate in the circumstances) a Notice of Intent to Contract on the BC Bid and/or COV website or such other public forum as the Senior Manager, Finance and Operations may deem appropriate, advertising the VEC's intent to enter into a contract without a public competitive procurement process (except where the contemplated sole source is of a confidential or privileged nature and disclosure could reasonably be expected to compromise VEC confidentiality, cause adverse economic consequences, or otherwise be contrary to the public interest);

No complaints or concerns have been lodged in response to the Notice of Intent to Contract referred to in Section 9.1(b) (or if there have been any such communications, the person or body referred to in Table 1 as having the requisite Commitment Authority has reviewed such communications and has authorized the sole source to proceed);

(iii) The form of Contract has been approved by the COV Solicitor; and

(iv) The Contract is approved and executed in accordance with Table 1 as to Commitment Authority and Signing Authority according to its Total Price;

c. Where the Total Price does not exceed \$25,000, the Contract is on a Law-approved template or otherwise approved by the COV Solicitor, and the Senior Manager, Finance and Operations is satisfied that the Total Price is Best Value;

d. The purchase is of 'goods via auction', used goods or distress sale goods, the Senior Manager, Finance and Operations is satisfied that the Total Price is Best Value, the terms of the Contract have been approved by the COV Solicitor, and the Contract has been approved and executed in accordance with Table 1 as to Commitment Authority and Signing Authority according to its Total Price;

- e. The sole source purchase is made either:
 - (i) by a VEC employee using a Corporate Credit Card in strict accordance with the VEC's guideline on the use of the Corporate Credit Card. See the VEC Corporate Credit Card Policy;
 - (ii) by a VEC employee engaging with the Senior Manager, Finance & Operations to complete the purchase via direct deposit in accordance with the Financial Authority Spending Policy.

8.10 Monitoring, Review and Reporting

- 8.10.1 Application of the VEC's Procurement Policy will be monitored and reviewed by the Senior Manager, Finance and Operations, who will annually report to the COV Chief Procurement Officer, the VEC Finance & Audit Committee and the VEC Board of Directors on the procurement activities of the VEC for the previous year.

8.11 Sustainable Procurement

- 8.11.1 Sustainable Procurement aligns the VEC's overall approach to procurement with its Corporate Long-Term Priorities related to the VEC's Mission Statement as expressed in the annual Corporate Plan.
- 8.11.2 The VEC intends to formally recognize and reward within the supplier selection process excellence and innovation among suppliers who demonstrate leadership in sustainability, environmental stewardship and fair labour practices.
- 8.11.3 The VEC is committed to safe and ethical workplaces, where human and civil rights are respected. The VEC will endeavor to ensure that all its suppliers meet and where possible, exceed the performance standards outlined in the Supplier Code of Conduct.
- 8.11.4 The VEC is committed to maximizing benefits to the environment and minimizing costs to the VEC through product and service selection. The VEC will set minimum specifications for goods and services that achieve environmental benefits such as increased energy and resource efficiency, reduced toxicity and pollution, reduced carbon dependency, zero waste and other environmental attributes. Minimum specifications for key product and services categories will be maintained and updated and periodically presented to the VEC Board of Directors for endorsement.
- 8.11.5 The VEC will use, where appropriate, an evaluation model that incorporates the

Total Cost of Ownership of products and services including environmental, social and economic costs and benefits (where reasonably quantifiable). These costs will be factored into the vendor pricing, evaluation and selection process.

- 8.11.6 The VEC will give preference where feasible, to products and services that represent a non-carbon alternative, are carbon neutral or that minimize greenhouse gas emissions and thereby contributes to reducing the carbon footprint of the VEC.
- 8.11.7 The VEC will work collaboratively with suppliers to advance environmental performance of products and services and ensure compliance with the VEC's Supplier Code of Conduct.
- 8.11.8 The VEC will select suppliers based on value for money both in terms of the supplier's overall social and environmental performance and the social and environmental attributes of the goods and/or services.

Efforts to reduce the overall environmental impacts of their operations and any efforts to advance sustainable and ethical purchasing in the marketplace, above and beyond the minimum requirements of this policy.

- 8.11.9 Within the limits set out by applicable trade and investment legislation, the Vancouver Charter and the Societies Act, the VEC will seek to identify opportunities where procurement activities may serve to leverage the VEC goals related to local economic development and, in particular, support the development of an environmentally sustainable local economy. The VEC will actively work with the supplier community and economic development agencies to identify and capitalize on such opportunities and catalyze industry relationships through participating in the COV's SCM where relevant, creating opportunities for dialogue with existing and potential suppliers and related outreach programs.
- 8.11.10 Where opportunities exist, the VEC will work with other organizations (e.g. municipalities) on monitoring and verification processes to ensure suppliers adhere to all applicable legal requirements and trade agreements.

8.12 Senior Manager, Finance and Operations

8.12.1 Senior Manager, Finance and Operations

The Senior Manager, Finance and Operations will have the authority and be responsible for:

- a. Determining, in accordance with policies and directives as may be adopted

or provided from time to time by Council, the appropriate form and method by which all goods and services will be procured and by which surplus assets will be disposed of on behalf of the VEC, including the form of any Call document or Contract (provided it is also approved by the COV Solicitor), the circumstances and means for the pre-selection of goods and services, the pre-qualification of Bidders, and the delegation to any VEC member of any aspect of the procurement process.

- b. Compiling and maintaining a compendium of all policies adopted by the VEC from time to time affecting the procurement process and communicating such policies to Bidders and all staff involved in the procurement process.
- c. The solicitation of Bids for the acquisition of goods and services; the disposition of surplus assets.
- d. Determining the method and scope of solicitation, including, without limitation, by public advertising, mailing invitations, posting notices, telecommunicated messages or any combination or all of these.
- e. Scheduling the place, date and time for the receipt and opening of Bids.
- f. Determining whether recommendations for an Award should appropriately go to the VEC Management Team Lead or CEO or VEC Board of Directors as the case may be and as determined by this policy.
- g. Providing advice and support to VEC Management Team Leads.
- h. Generally monitoring, supervising and reporting to the CEO and the VEC Finance and Audit Committee and Board of Directors as required from time to time, on the procurement process.
- i. Drafting and finalizing procedures and guidelines in respect of any aspect of the procurement process, including any of the listed responsibilities of the Senior Manager, Finance and Operations in this section, and ensuring appropriate communication of such procedures and directives to staff.
- j. Undertaking a comprehensive review of this policy and all policies affecting the procurement process every five years.

8.12.2 Authority of the CEO to Pre-Select and to Pre-Qualify the Senior Manager, Finance and Operations will be authorized to determine:

- The selection of specified equipment and materials, if required in the opinion of a VEC Management Team Lead, for incorporation in any Call; and
- In consultation with the VEC Management Team Lead, those Bidders meeting

the requirements of any pre-qualification Call as a basis for the issuance of any subsequent Call for the submission of Bids. Defer to COV SCM and/or REFM.

8.12.3 Senior Manager, Finance and Operations and Opening of Responses

- Responses received by the Senior Manager, Finance and Operations in the location specified in the Call before the time stipulated for receipt will be opened by the Senior Manager, Finance and Operations or designate at the time and location specified in the Call, and the names of the Bidders will be recorded.
- The prices contained in Bids will also be recorded but only where deemed appropriate in the sole discretion of the Senior Manager, Finance and Operations.

8.12.4 Cancellation of Calls

The Senior Manager, Finance and Operations will be authorized to cancel any Call (including those with respect to Sponsorships as defined in the Sponsorship Policy) where:

- a. There is a request by the VEC Management Team Lead and responses are greater than the Funding Authority for the Award in respect of the Call; or
- b. In the opinion of the Senior Manager, Finance and Operations or the VEC Management Team Lead:
 - (i) A change in the scope of work or specifications is required and therefore a new Call should be issued; or
 - (ii) The goods and services to be provided by the Call no longer meet the VEC's requirements; or
- c. In the opinion of the Senior Manager, Finance and Operations the integrity of the Call process has been compromised.

8.13 Surplus Asset Disposal

- 8.13.1 If any materials or equipment owned by the VEC are declared by the VEC Management Team having control over them to be surplus to present and future department requirements, and are declared by the Senior Manager, Finance and Operations to be surplus to present and future corporate requirements, the Senior Manager, Finance and Operations may either dispose of the materials or equipment by public auction or solicitation deemed appropriate by the Senior Manager, Finance and Operations in the circumstances. The VEC shall consult

with COV SCM for guidance

- 8.13.2 Funds received for the disposal of surplus materials and equipment will be credited back to the VEC cost center where the asset originated from prior to being declared surplus.
- 8.13.3 In exceptional circumstances, surplus assets may be transferred gratuitously to a not-for-profit organization or public agency or sold at less than fair market value when, in the opinion of the Senior Manager, Finance and Operations, such action serves the public interest better than sale on the open market, provided always that the Contract transferring the asset is signed by the CEO and COV Solicitor.
- 8.13.4 Surplus assets will be segregated for reuse or recycling and those, which are classified as electronic waste, will be recycled according the appropriate governing guidelines for e-waste and in a manner that ensures that toxic products are not sent to landfill.

8.14 Co-operative Purchasing

- 8.14.1 The Senior Manager, Finance and Operations may participate in Co-operative Purchasing.
- 8.14.2 All Call documents and Contracts relating to Co-operative Purchasing must be reviewed and approved by the COV Solicitor prior to the Senior Manager, Finance and Operations participating in a Co-operative Purchasing process.
- 8.14.3 Subject to Sections 8.14.1 and 8.14.2, the provisions of this policy apply to the rights and obligations assumed by the VEC with respect to any Co-operative Purchasing process.

8.15 Un-Solicited Proposals

- 8.15.1 All Un-Solicited Proposals are to be forwarded to and reviewed by the Senior Manager, Finance and Operations and CEO.
- 8.15.2 The Senior Manager, Finance and Operations must review each Un-Solicited Proposal and assess same applying the following criteria:
 - a. The Un-Solicited Proposal appears to offer something unique or innovative that the VEC does not typically acquire by way of a Call,
 - b. The Un-Solicited Proposal appears to offer something that is aligned with the VEC's corporate and policy goals.

- 8.15.3 Where the Un-Solicited Proposal does not, in the Senior Manager, Finance and Operations view, satisfy both of the criteria in section 15.2, it will be rejected and notice of same to the third party who submitted it will be issued by the Senior Manager, Finance and Operations.
- 8.15.4 Where the Un-Solicited Proposal does, in the Senior Manager, Finance and Operations view, satisfy both of the criteria in section 15.2, it will be forwarded to the VEC Management Team and the CEO / or an appropriate committee for comment and decision.
- 8.15.5 Upon receipt of a report pursuant to section 15.4, the VEC Management Team and/or an appropriate committee will review and then decide to either:
- a. Not pursue the proposal,
 - b. Instruct the Senior Manager, Finance and Operations to issue a Call seeking market responses to the goods and services being offered,
 - c. Instruct the Senior Manager, Finance and Operations to pursue the Un-Solicited Proposal as a Permitted Sole Source.

RELATED POLICIES

VEC Code of Conduct
 VEC Supplier Code of Conduct
 VEC Sustainable Procurement Policy
 VEC Sponsorship Policy
 VEC Corporate Credit Card Policy
 VEC Financial Spending Authority Policy

APPROVAL HISTORY

ISSUED BY: Senior Manager, Finance and Operations	REVIEWED AND RECOMMENDED BY: VEC CEO, COV CPO, COV Legal	DATE: September 10, 2021
	REVIEWED AND RECOMMENDED BY: Finance & Audit Committee	DATE:
	APPROVED BY: VEC Board of Directors	DATE:

Next Review Date: October 2023