

## Appendix "B"

### Definitions

**"Goods and services"** means any goods, construction, and services, including but not limited to IT and consulting services;

**"Members of an Organization"** means all trustees, members of the board of directors, senior executives, and employees of the Organization, or their equivalent;

**"Supply Chain Activities"** means all activities directly or indirectly related to the Organization's planning, sourcing, procurement, moving, and payment processes..

**"Accountability"** means the obligation of an employee, agent or other person to answer for or be accountable for, work, action or failure to act following delegated authority.

**"Agreement"** means the formal written document that will be entered into at the end of the procurement process.

**"Approval Authority"** means the authority delegated by the Organization to a person designated to occupy a position to approve on its behalf one or more procurement functions within the plan-to-pay cycle up to specified dollar limits subject to the applicable legislation, regulations and procedures in effect at such time.

**"Award"** means the notification to a proponent of acceptance of a proposal, quotation or tender that brings a contract into existence.

**"Best value"** means the optimal balance of performance and cost determined in accordance with a pre-defined evaluation plan; best value may include a time horizon that reflects the overall life cycle of a given asset

**"Blanket purchase contract"** means any contract for the purchase of goods and services which will be required frequently or repetitively but where the exact quantity of goods and services required may not be precisely known or the time period during which the goods and services are to be delivered may not be precisely determined

**"Bid"** means a proposal, quotation or tender submitted in response to a solicitation from a contracting authority. A bid covers the response to any of the three principal methods of soliciting bids, i.e., Request for Proposal, Request for Tender and Request for Quotation.

**"Bid Protest"** means a dispute raised against the methods employed or decisions made by a contracting authority in the administration of a proposal, tender, or quotation process.

**"Chief Executive Officer"** means the head of operations at Organizations.

**"Competitive Procurement"** means a set of procedures for developing a procurement contract through a bidding or proposal process. The intent is to solicit fair, impartial, competitive bids.

**"Conflict of Interest"** means a situation in which financial or other personal considerations have the potential to compromise or bias professional judgment and objectivity. An apparent conflict of interest is one in which a reasonable person would think that the professional's judgment is likely to be compromised.

**"Construction"** means construction, reconstruction, demolition, repair or renovation of a building, structure 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 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 procurement.

**“Consultant”** means a person or entity that under an agreement, other than an employment agreement, provides expert or strategic advice and related services for consideration and decision-making. A consultant provides expert or strategic advice related to operational consideration and decision-making and not to clinical or case management decision making. A consultant does not include services associated with implementing projects once a strategic decision has been made by Management.

**“Consulting Services”** means the provision of expertise or strategic advice that is presented for consideration and decision-making. Consulting Services provide advice for operational consideration and decision making and not in relation to clinical or case management services.

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

**“Designated broader public sector organization”** means an Organization to which section 12 of the *Broader Public Sector Accountability Act, 2010* applies.

**“Electronic Tendering System”** means a computer-based system that provides suppliers with access to information related to open competitive procurements.

**“Evaluation Criteria”** means a benchmark, standard or yardstick against which accomplishment, conformance, performance and suitability of an individual, alternative, activity, product or plan is measured to select the best supplier through a competitive process. Criteria may be qualitative or quantitative in nature.

**“Evaluation Matrix”** means a tool allowing the evaluation team to rate supplier proposals based on multiple pre-defined evaluation criteria.

**“Evaluation Team”** means a group of individuals designated/responsible to make award recommendation. The evaluation team would typically include representatives from the Organization and subject matter expert(s). Each member participates to provide business, legal, technical and financial input.

**“Goods”** means moveable property (including the costs of installing, operating, maintaining or manufacturing such moveable property) including raw materials, products, equipment and other physical objects of every kind and description whether in solid, liquid, gaseous or electronic form, unless they are procured as part of a general construction contract.

**“Goods and Services/ Goods or Services”** means all goods and/or services including construction, consulting services and information technology.

**“Information Technology”** means the equipment, software, services and processes used to create, store, process, communicate and manage information.

**“Invitational Competitive Procurement”** means any form of requesting a minimum of three (3) qualified suppliers to submit a written proposal in response to the defined requirements outlined by an individual/organization.

**“Non-discrimination”** means fairness in treating suppliers and awarding contracts without prejudice, discrimination or preferred treatment.

**“Offer”** means a promise or a proposal made by one party to another, intending the same to create a legal relationship upon the acceptance of the offer by the other party.

**“Procurement”** means acquisition by any means, including by purchase, rental, lease or conditional sale, of goods or services.

**“Procurement Card (P-Card)”** means an organizational credit card program primarily used for low-cost, non-inventory, non-capital items, such as office supplies. The card allows procurement or field employees to obtain goods and services without going through the requisition and authorization procedure. P-cards may be set up to restrict use to specific purchases with pre-defined suppliers or stores, and offer central billings.

**“Procurement Policies and Procedures (PPP)”** means a framework and mandatory requirements to govern how Organizations conduct sourcing, contracting and purchasing activities, including approval segregation and limits, competitive and non-competitive procurement, conflict of interest and contract awarding.

**“Procurement Value”** means the estimated total financial commitment resulting from procurement, taking into account optional extensions.

**“Professional service supplier”** means a supplier of services requiring professional skills for a defined service requirement including: Lawyers, Psychologists, management and financial consultants; and firms or individuals having specialized competence in planning or other disciplines

**“Purchase Order (PO)”** means a written offer made by a purchaser to a supplier formally stating the terms and conditions of a proposed transaction.

**“Purchase requisition”** means a written or electronically produced request in an approved format and duly authorized to obtain goods or services

**“Request for Expressions of Interest (RFEI)”** means a document used to gather information on supplier interest in an opportunity or information on supplier capabilities/qualifications. This mechanism may be used when a BPS organization wishes to gain a better understanding of the capacity of the supplier community to provide the services or solutions needed. A response to a RFEI must not pre-qualify a potential supplier and must not influence their chances of being the successful proponent on any subsequent opportunity.

**“Request for Information (RFI)”** means a document issued to potential suppliers to gather general supplier, service or product information. It is a procurement procedure whereby suppliers are provided with a general or preliminary description of a problem or need and are requested to provide information or advice about how to better define the problem or need, or alternative solutions. A response to an RFI must not pre-qualify a potential supplier and must not influence their chances of being the successful proponent on any subsequent opportunity.

**“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.

**“Request for Supplier Qualifications (RFSQ)”** means a document used to gather information on supplier capabilities and qualifications, with the intention of creating a list of pre-qualified suppliers. This mechanism may be used either to identify qualified candidates in advance of expected future competitions or to narrow the field for an immediate need. Organizations must ensure that the terms and conditions built into the RFSQ contain specific language that disclaims any obligation on the part of the Organization to call on any supplier to provide goods or services as a result of the pre-qualification.

**“Requisition”** means a formal request to obtain goods or services made within an Organization, generally from the end-user to the procurement department.

**“Sealed bid”** means a formal sealed response received as a part of a quotation, tender or proposal

**“Segregation of Duties”** means a method of process control to manage conflict of interest, the appearance of conflict of interest, and errors or fraud. It restricts the amount of power held by any one individual. It puts a barrier in place to prevent errors or fraud that may be perpetrated by one individual.

**“Services”** means intangible products that do not have a physical presence. No transfer of possession or ownership takes place when services are sold, and they (1) cannot be stored or transported, (2) are instantly perishable, and (3) come into existence at the time they are bought and consumed.

**“Supplier/Vendor”** means any person or organization that, based on an assessment of that person’s or organization’s financial, technical and commercial capacity, is capable of fulfilling the requirements of procurement.

**“Supply Chain Activities”** means all activities whether directly or indirectly related to organizational plan, source, procure, move, and pay processes.

**“Trade Agreements”** means any applicable trade agreement to which Ontario is a signatory.

**“Supplier Debriefing”** means a practice of informing a supplier why their bid was not selected upon completion of the contract award process.

**“Vendor of Record”** (VOR) is a procurement arrangement resulting from a fair, open, transparent and competitive process that authorizes one or more qualified vendors to offer specific goods or services for a defined period of time on terms and conditions, including pricing and/or discounting, as set out in a particular VOR agreement