



Operations Manual	
<b>Policy:</b> Procurement Policy	<b>Approved by:</b> Cape Breton Partnership Board of Directors
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## Section One: Introduction

### 1.0 Purpose

The purpose of this Policy is to provide a framework for the procurement of goods and services at the Cape Breton Partnership ("Partnership"), ensuring that all procurements, including contracting, are conducted in a way that fosters fair competition, transparency, minimizes risk, and supports the values of integrity and accountability. This Procurement Policy ensures that the Cape Breton Partnership maintains the highest standards of governance and accountability while supporting the economic development of Unama'ki – Cape Breton through responsible and transparent procurement practices.

### 1.1 Scope

This policy applies to all employees, volunteers, and contractors involved in Partnership procurement activities.

### 1.2 Statement

The Partnership is committed to conducting all procurement activities in a fair, transparent, and ethical manner, ensuring value for money while supporting our mission and goals. This policy establishes the principles and procedures for acquiring goods, services, and contracts to ensure compliance with applicable laws and regulations, including the *Nova Scotia Public Procurement Act* and any funding agreements. The Partnership strives to support the local Unama'ki – Cape Breton economy by using local suppliers, whenever possible.

#### 1.2.1 Objectives

The objectives of the Procurement Policy are to:

- Ensure the best value for money, balancing quality, cost, and risk.
- Promote competition and fairness in procurement processes.
- Adhere to ethical standards, transparency, and accountability.
- Comply with relevant laws, including the *Nova Scotia Public Procurement Act*, and other applicable regulations.
- Support the local economy by encouraging the participation of local suppliers, where feasible.
- Ensure all stakeholders are treated fairly, equitably, and without bias throughout the procurement process.

#### 1.2.2 Procurement Principles

Procurement activities conducted by the Partnership will adhere to the following principles:

- Transparency – Procurement processes will be clear and understandable to all parties, ensuring that stakeholders are aware of the process and any relevant requirements.
- Fairness – Procurement will be conducted in a manner that avoids conflicts of interest and ensures that all suppliers are treated equally.
- Accountability – The Partnership will maintain a clear and auditable record of procurement activities, ensuring responsible use of public and organizational funds.
- Efficiency – Procurement will be carried out in a timely and cost-effective manner, minimizing administrative burden while ensuring due diligence.

- Value for Money – Procurement decisions will prioritize long-term value, considering quality, cost, service, and environmental or social benefits.
- Buy Local First – Procurement decisions will also prioritize buying local and putting more money directly into the hands of local producers and retailers.

## Section Two: Definitions

### 2.0 Procurement

The process of acquiring goods, services, or works from an external source through purchasing, tendering, or contracting.

### 2.1 Supplier

An individual or organization that provides goods, services, or works in response to procurement opportunities.

### 2.2 Procurement Thresholds

Financial limits that determine the specific procurement process or approval required, such as direct purchase, RFQ, or RFP.

### 2.3 Request for Quotation (RFQ)

A process where suppliers provide price quotes for specific goods or services, typically for procurements below a certain threshold.

### 2.4 Request for Proposal (RFP)

A competitive process allowing suppliers to submit detailed proposals for complex or high-value procurements.

### 2.5 Sole-Source Procurement

Procurement conducted without competitive bidding, used when only one supplier can fulfill the requirements.

### 2.6 Conflict of Interest

A situation where personal, financial, or other interests may compromise the impartiality of individuals involved in procurement decisions.

### 2.7 Transparency

The practice of ensuring all procurement activities are open, clear, and accessible to stakeholders.

### 2.8 Sustainability

Practices that consider environmental, social, and ethical impacts, promoting long-term ecological and community benefits.

### 2.9 Ethical Labour Practices

Standards ensuring suppliers adhere to fair wages, safe working conditions, and respect for human rights.

## 2.10 Emergency Procurement

A procurement process expedited due to unforeseen circumstances to protect public health, safety, or security.

## Section Three: Responsibilities

### 3.0 Employees

- Ensure compliance with the Procurement Policy in all procurement activities.
- Report any suspected breaches of the policy, including conflicts of interest or unethical practices, through established reporting channels.
- Maintain comprehensive and accurate records of all procurement activities for audit purposes, ensuring compliance with the required retention period.
- Participate in periodic training sessions to stay informed about current procurement practices and policy updates.

#### 3.1 Management (Chief Operating Officer, President & CEO):

- Approve procurement decisions based on the thresholds outlined in the policy.
- Oversee the implementation of regular internal and external audits to ensure adherence to the policy.
- Ensure that all procurement staff receive proper training and that compliance gaps identified through audits are addressed.
- Act as the primary point of escalation for reported policy violations and ensure timely resolution.
- Promote a culture of accountability and ethical decision-making across the organization.
- Facilitate regular internal audits of procurement activities and respond promptly to audit findings.
- Participate in ongoing training to enhance knowledge of procurement laws, ethical standards, and best practices.

#### 3.2 Board of Directors:

- Review and approve high-value procurement transactions as outlined in the policy.
- Oversee the organization's adherence to governance, ethical, and accountability standards in procurement.
- Review audit findings related to procurement activities and ensure that necessary corrective actions are implemented.

## Section Four: Procedures

### 4.0 Procurement Thresholds

Procurement thresholds determine the type of process and approval required for different levels of spending. These thresholds are in line with the guidelines established by the Province of Nova Scotia:

<u>Procurement Value</u>	<u>Procurement Process</u>
Less than \$10,000	Direct Purchase
\$10,001-\$25,000	Request for Quotations (RFQ) - three quote minimum

\$25,001 - \$100,000 Request for Proposal (RFP)

\$100,000 and above Formal Tendering Process or Request for Proposal (RFP)

#### 4.1 Procurement Methods

The following procurement methods may be used, depending on the value and nature of the procurement:

##### **Direct Purchase (Under \$10,000)**

A direct purchase may be made when the value is under \$10,000 and there is limited complexity or when a supplier offers a competitive price for a specific requirement. Preference will be given to Investors/Members of the Cape Breton Partnership.

##### **Request for Quotation (RFQ) (\$10,000 - \$25,000)**

For purchases between \$10,000 and \$25,000, a minimum of three quotes should be obtained from qualified suppliers. The Partnership will assess quotations based on price, quality, local impact and delivery terms. Preference will be given to Investors/Members of the Cape Breton Partnership.

##### **Request for Proposal (RFP) (\$25,001 - \$100,000+)**

For larger or more complex procurements, an RFP process will be used. This process allows suppliers to submit proposals that outline not just the price, but also the quality, experience, and approach to delivering the required goods or services. Preference will be given to Investors/Members of the Cape Breton Partnership.

##### **Sole-Source Procurement**

Sole-source procurement may be used in situations where only one supplier can provide the required goods or services. This process requires a detailed justification in writing and approval by the Partnership's President & CEO and/or Chief Operating Officer. Preference will be given to Investors/Members of the Cape Breton Partnership.

#### 4.2 Supplier Selection and Evaluation

Procurement decisions will be based on an objective and fair evaluation of proposals or quotations.

Factors for evaluation may include:

- **Quality:** The ability of the supplier to meet the technical specifications or standards.
- **Delivery and Performance:** Supplier's ability to meet delivery timelines and performance standards.
- **Experience and Qualifications:** The track record of the supplier, including past performance and expertise.
- **Price:** The cost of the goods or services offered.
- **Local Economic Impact:** Preference may be given to local suppliers where feasible and appropriate. The "local first" government procurement policy provides Nova Scotia businesses a 10% advantage when bidding on public sector procurement.

- **Environmental or Social Impact:** Consideration of environmental sustainability or social benefits where relevant.

### Supplier Evaluation Weighting Framework EXAMPLE:

Evaluation Criteria	Weight (%)	Description
<b>1. Quality and Technical Capability</b>	30%	Assesses whether the supplier can meet the technical specifications, standards, and quality expectations. Includes reliability, durability, and adherence to project requirements.
<b>2. Price and Cost Effectiveness</b>	25%	Evaluates the total cost of ownership, including initial cost, maintenance, and lifecycle costs. Competitive pricing is key, but long-term value is prioritized.
<b>3. Local Economic Impact</b>	20%	Awards points for using local suppliers, labor, or materials, promoting economic growth within Cape Breton. Includes partnerships with local businesses, Cape Breton Partnership member, Chamber member etc.
<b>4. Delivery and Performance</b>	10%	Examines the supplier's ability to meet deadlines, flexibility in accommodating timelines, and past delivery performance.
<b>5. Innovation and Value-Added Services</b>	5%	Rewards suppliers who provide creative solutions, offer additional services, or demonstrate added value beyond the standard requirements.
<b>6. Social Responsibility and Ethics</b>	5%	Evaluates the supplier's adherence to ethical practices, respect for human rights, and contribution to social benefits, such as diversity and inclusion.
<b>7. Environmental Sustainability</b>	5%	Considers the supplier's efforts to minimize environmental impact, such as using eco-friendly products, reducing carbon footprints, or offering recycling programs.

This guide provides a flexible structure that can be tailored to specific procurement needs while prioritizing factors like local impact and quality/technical capability. For large or complex projects, use higher weights for technical capability and price. For local initiatives, emphasize local economic impact and sustainability.

### Scoring Scale EXAMPLE:

Score	Definition
5	Exceeds requirements significantly with exceptional performance or value.
4	Fully meets requirements with no significant weaknesses.
3	Meets most requirements with minor gaps that do not impact overall performance.
2	Meets some requirements but with notable weaknesses or areas for improvement.
1	Does not meet requirements or provides insufficient evidence of ability to meet requirements.

Completed evaluation matrix example in the appendix to demonstrate how scores and weights are calculated, ensuring users of the policy understand its application.

### 4.3 Conflict of Interest

Partnership staff, including board members, contractors, and consultants, should avoid any situation where there is a conflict of interest, real or perceived. Suppliers must also ensure they disclose any potential conflicts of interest during the procurement process.

The Partnership may require individuals with a disclosed conflict to recuse themselves from procurement-related discussions, evaluations, and decision-making processes and assign an alternate staff member or team to handle the procurement process when a conflict is disclosed by a primary participant.

### 4.4 Sustainability and Ethical Considerations

The Partnership supports sustainability and encourages procurement practices that consider the environmental, social, and ethical implications of purchases. This includes:

- Promoting the use of local products and services when feasible to strengthen the local economy.
- Preference for environmentally sustainable products and services where possible.
- Ensuring suppliers adhere to ethical labor practices, including respect for human rights and fair working conditions.

### 4.5 Approval Process

The level of approval required for procurement decisions is as follows:

- Under \$25,000: Approved by the Chief Operating Officer
- \$25,000-\$75,000: Approved by Chief Operating Officer and President & CEO
- \$75,000 and above: Requires approval by the Partnership President & CEO and/or Board of Directors

Procurement transactions will be documented, and all procurement records must be retained for a minimum of three (3) years [here](#) (file path: Cape Breton Partnership Team Site - Documents\RFPs). Physical copies of any procurement documents will be filed in the Finance office.

### 4.6 Public Tendering (RFP) and Disclosure

Where public tendering is required the Partnership will:



- Post tender opportunities on publicly accessible platforms, such as the Nova Scotia Tendering website, the Partnership's website, or the CB Job Board.
- Provide equal access to information for all interested suppliers.
- Addendums will be posted on the publicly accessible platform. Responders should check the posting regularly before submission to ensure they have reviewed all addendums.

#### 4.7 Exceptions and Exemptions

Certain situations may warrant exceptions to the standard procurement processes, such as:

- Emergency Procurements: In cases of emergencies or unforeseen circumstances, procurement may be expedited to protect public health, safety, or security.
- Sole-Sourced Contracts: As mentioned earlier, sole-source procurement may be allowed in specific situations where only one supplier is able to provide the goods or services.
- In such cases, proper justification and approval must be obtained in writing

#### 4.8 Compliance and Monitoring

The Partnership will regularly review procurement activities to ensure compliance with this policy and applicable provincial guidelines. Procurement staff will be trained to maintain knowledge of current policies, regulations, and best practices.

Any violations of the procurement policy, such as failure to follow the outlined processes or conflicts of interest, should be reported to senior management or the Board for investigation. Failure to comply with this policy may result in disciplinary action up to and including termination.

### Section Five: References

Nova Scotia Public Procurement Act -

<https://nslegislature.ca/sites/default/files/legc/statutes/public%20procurement.pdf>

### Section Six: Questions

For further information on the procurement process or to seek clarification on any aspect of this policy, please contact the Chief Operating Officer.