



COMMUNITY LIVING
BRITISH COLUMBIA

Policy Number: FIN3.081	Policy Section: Finance	Effective: November 23, 2011 Amended: April 30, 2026
Title: Procurement and Contracting Policy		Executive Sponsor: Vice President, Finance and CFO

SUMMARY:

This policy explains how CLBC buys the services and items it needs. This includes service delivery for individuals, as well as everything CLBC needs to run the organization.

The policy describes how CLBC must be fair and clear in its business choices. It explains the rules that CLBC staff must understand and follow.

1. PURPOSE

This policy establishes the underlying principles and parameters for procurement and contract management by Community Living British Columbia (CLBC). It applies to all services and goods procured by and contracted for CLBC. The policy provides direction to all CLBC staff involved in procurement and contracting and should be reviewed together with the CLBC *Procurement and Contracting Procedures Guide* and *Contracting Instructions*.

2. DEFINITIONS

Bid: A submission in response to a solicitation document, and includes proposals, quotations, and responses.

Competitive Process: Formal process intended to obtain comparable bids or quotes from multiple vendors.

Conflict of Interest: For the purpose of this Policy, any situation where a conflict between the personal or financial interests of an individual or vendor could potentially interfere with the impartiality of the procurement process. In relation to CLBC's procurement and contract award activities, Conflict of Interest includes:

- *For CLBC Staff:* where a staff person's private interests could be seen to interfere with procurement activity, and compromises, or could be seen to compromise, the impartiality of the procurement process; or where a staff person engages in conduct that gives another party an unfair advantage in a procurement process.

- *For Vendors:* where a vendor has an unfair advantage, including a vendor who:
 - Has access to CLBC’s confidential information used to prepare a procurement that is not available to other vendors;
 - Has been involved in or received advice from anyone involved in preparing procurement documents for CLBC;
 - Communicates with any person to influence the procurement process (such as lobbying decision makers);
 - Engages in conduct that compromises, or could be seen to compromise, the integrity of the procurement process;
 - Has other commitments or financial interests that potentially exercise an undue influence over its independent judgement or are incompatible with the effective performance of its contractual obligations.

Contract Owner: A CLBC employee assigned to the management of a contract and is responsible for ensuring that contracted deliverables correctly reflect the agreement between the parties, and for ensuring the vendor meets their contractual requirements. For Program Service contracts, this is typically the liaison analyst for the vendor. For Non-Program Expenditures, this is the departmental staff person responsible for the contract.

Contract Value: The expected or actual value over the period from the expected or actual start date to the expected or actual end date of the contract, excluding all applicable taxes. For program services, the expected or actual end date of the contract excludes possible extensions of term beyond the term contemplated for the initial contract. For non-program expenditures only, the expected or actual end date of the contract should include all extensions of term that are allowable according to the procurement document.

Cultural Safety: An outcome of respectful engagement based on recognition of the power imbalances inherent to service systems, and the work to address these imbalances. A culturally safe environment for Indigenous Peoples is one that is physically, socially, emotionally, and spiritually safe without challenge, ignorance, or denial of an individual’s identity. Practicing cultural safety requires having knowledge of the colonial, sociopolitical, and historical events that trigger disparities encountered by Indigenous Peoples encounter and perpetuate and maintain ongoing racism and unequal treatment.

Deliverables: The specific goods or services that a vendor is required to provide as part of a contract or agreement.

Direct Award: Negotiation and award of a contract where a competitive process is not required under the *Procurement and Contracting Policy*.

Government Organization: A public sector government body or organization established by legislation or regulation, including ministries, Crown corporations, and Indigenous Child and Family Service Agencies.

Indemnity: Contract language where one or both parties agree to compensate the other party for any loss or damage(s), usually resulting from a claim from a third party.

Non-Program Expenditures: Spending on services/goods related to CLBC's internal administrative and operational requirements.

Pre-Qualified Vendor: A Vendor that meets the requirements set out in a formal pre-qualification process.

Procurement and Contract Award Activities: Activities relating to the acquisition of services/goods including planning, soliciting bids or quotes from vendors, and issuing contracts and/or purchase orders.

Procurement Initiative: A distinct plan or undertaking to acquire services/goods.

Program Services: Services/goods provided directly to individuals and/or their families supported by CLBC.

Vendor: An organization or individual that provides or intends to provide services/goods to CLBC. An Indigenous vendor is one where an Indigenous person(s) has at least 51% ownership or control, or where the board composition is at least 70% Indigenous representation.

3. POLICY

3.1 All procurement and contracting activities must be carried out in compliance with the Procurement and Contracting Procedures Guide and Contracting Instructions.

Principles

3.2 Procurement and contract award activities must be conducted based on the following principles:

- i) **Person Centered Planning** - Procurement and contract award activities respond to the needs, desires, and choices of each individual and/or family supported by CLBC.
- ii) **Cultural Safety** - Procurement and contract award activities promote cultural safety (as stated in CLBC's *Cultural Safety Policy*) by reducing barriers to participation from Indigenous vendors, integrating Indigenous knowledge and values, and utilizing culturally-relevant procurement practices when appropriate.
- iii) **Transparency** – CLBC provides vendors with clear information on procurement and contract award opportunities, processes, and results.
- iv) **Fairness and Integrity** - Procurement and contract award activities are:
 - a) Compliant with applicable laws, regulations, and trade agreements;
 - b) Conducted with due regard for confidentiality and privacy of information;
 - c) Free of real or perceived conflicts of interest; and
 - d) Carried out in a manner consistent with the highest standards of ethical behaviour, honesty, integrity, and impartiality.

- v) **Value for Money** - Procurement activities achieve value for money, considering several elements such as cost, quality, reliability, continuity, and strategic procurement objectives.
- vi) **Competition** - Procurement initiatives are subject to competitive processes that are reasonable, practical, and appropriate to the value, complexity, and nature of the procurement opportunity.
- vii) **Environmental Sustainability** - Procurement decisions consider environmental issues, when appropriate.

Exclusions

- 3.3** This policy does not apply to contracts for Person Centred Societies, Host Agency Funding Agreements, Direct Funding Agreements, or Welcome Workshop Presenter Agreements. Staff entering into contracts for these services should consult with the appropriate policy.
- 3.4** This policy does not apply to any grants or agreements issued under the *Grants Policy*.
- 3.5** This policy does not apply where CLBC acquires the following deliverables:
 - i) Services provided by licensed lawyers or notaries;
 - ii) Services of expert witnesses or factual witnesses used in court proceedings;
 - iii) Works of art; and
 - iv) Lease of land or buildings.
- 3.6** CLBC may purchase services/goods through the *BC Government Corporate Supply Arrangement*, applying the practices set by the Province instead of this policy.

Planning

- 3.7** In collaboration with other CLBC departments, the Manager, Contract and Procurement Services is responsible for developing an annual procurement plan to help facilitate proactive procurement planning across the organization and help identify major projects requiring the creation of project-specific procurement committees.
- 3.8** Where departments are uncertain about the deliverables required or where there is insufficient internal knowledge about the market, they must contact Contract and Procurement Services to conduct a Request for Information Process. The Request for Information Process cannot be used as a prequalification tool. Refer to the Request for Information Process in the *CLBC Procurement and Contracting Procedures Guide* for more information.
- 3.9** Procurement initiatives must not be subdivided, split, or otherwise structured to avoid requirements of policies or trade agreements.

- 3.10** Procurement initiatives must be appropriately costed and may be undertaken only when the necessary funds for the underlying service/good are available as per the *CLBC Planning, Budgeting and Reporting Policy*.
- 3.11** Planning for procurement initiatives must follow the Procurement Planning Protocol outlined in the *Procurement and Contracting Procedures Guide*.
- 3.12** Where services are required on a frequent or regularly occurring basis, CLBC may choose to use a Prequalification List. All Prequalification Lists must be administered by Contracting and Procurement Services.
- 3.13** All competitive procurement initiatives must be approved by a Director of the relevant CLBC department and the Director, Procurement Strategy and Workplace Solutions prior to engaging in the solicitation process.

Pre-Awarding and Awarding: Competitive Process

- 3.14** All procurement initiatives must follow a competitive process, unless this policy allows for a contract to be directly awarded.
- 3.15** A competitive process must:
- i) Establish the requirements to be met;
 - ii) Establish the criteria to evaluate vendors' proposals; and
 - iii) Be broadly advertised and open to all vendors; or where a list of pre-qualified vendors exists, be open to all vendors on the pre-qualified list who meet the criteria.
- 3.16** A competitive process may include a two-stage procurement process in which a prequalification list is created in order to establish a short list of pre-qualified vendors who will be eligible to submit a bid in response to a second stage solicitation.
- 3.17** Any participant in a competitive process that may have a conflict of interest must disclose the conflict at the earliest opportunity. Conflicts of interest relating to a procurement or contract award process must be brought to the attention of the Director, Procurement Strategy and Workplace Solutions to determine whether they impact the procurement process and decide on how the conflict must be mitigated. All conflicts of interest must be handled according to the Conflict of Interest Protocol in the *Procurement and Contracting Procedures Guide*.
- 3.18** In a competitive process, a contract is awarded to the vendor whose proposal ranks highest based on the evaluation criteria, as outlined in the procurement document. This does not have to be the vendor proposing the lowest cost.
- 3.19** All competitive processes must be managed by Contracting and Procurement Services, with the co-operation and involvement of the relevant department.

3.20 Where CLBC has conducted a competitive process, unsuccessful vendors may request a debriefing and may formally protest the outcome of a procurement process. Complaints made by proponents or respondents concerning a procurement process must follow the Bid Protest Protocol, and are forwarded to and reviewed by the Manager, Procurement and Contract Accountability.

3.21 Vendors may be suspended from participating in future procurement processes for any of the following reasons:

- i) The vendor is convicted of a crime or serious offence, such as bid rigging or fraud;
- ii) The vendor includes false or misleading information in its bids, including a failure to disclose a conflict of interest;
- iii) The vendor fails to adequately perform its responsibilities under a contract in a significant or persistent way; or
- iv) The vendor engages in professional misconduct or in a manner that lacks integrity, such as unethical bidding practices, failing to perform contracts in a professional and competent manner, or engaging in litigious conduct, or bringing vexatious claims.

Vendor Suspension must be handled in accordance with the Vendor Suspension Protocol in the *Procurement and Contracting Procedures Guide*.

Pre-Awarding and Awarding: Pre-Qualification of Vendors

3.22 Where a list of pre-qualified vendors is to be established, the solicitation document must:

- i) Establish the requirements for qualification;
- ii) Establish the criteria designed to evaluate vendors' responses;
- iii) Be broadly advertised;
- iv) Disclose the method for selection of vendors from the list; and
- v) Identify the period for which the list is effective.

3.23 Where CLBC has reason to believe that a pre-qualified vendor no longer meets the prequalification, such as the presence of contract performance issues or significant changes to a vendor's business operations, CLBC may request that the vendor go through the prequalification process again to ensure they still meet the prequalification requirements.

3.24 Opportunities for getting on a list of pre-qualified vendors must be provided by CLBC either continuously or at a minimum annually.

3.25 Where a list of pre-qualified vendors is established for:

Program Services:

- i) The list is ongoing and maintained on a regular basis; and
- ii) A vendor is removed from the list for a service when the vendor:

- a) Has not actively provided the service to CLBC within the prior 4-year period;
- b) Materially fails to meet its contractual commitments;
- c) Becomes insolvent or ceases active business operations; or
- d) No longer meets the qualification criteria.

Non-Program Expenditures:

- i) The term of the list cannot exceed five years at which time CLBC may extend the term by up to three additional years; and
- ii) A vendor is removed from the list when the vendor:
 - a) Materially fails to meet its contractual commitments;
 - b) Becomes insolvent or ceases active business operations; or
 - c) No longer meets the qualification criteria.

Pre-Awarding and Awarding: Direct Award (Program Services)

3.26 A direct award for program services may be made only when one of the following criteria apply:

- i) **Small Scale Project or Service:** The expected contract is time limited and will not be renewed or extended, the value is under \$75,000, and it is not reasonable or cost-effective to compete for the procurement opportunity;
- ii) **Unforeseeable Emergency:** The expected contract value is \$75,000 or more, an unforeseeable emergency exists and there are exceptional circumstances relating to the health and/or safety of individuals, and requires the approval of the:
 - a) Service Area Manager for contract values under \$150,000;
 - b) Regional Director or, in their absence, a delegate for contract values between \$150,000 and \$250,000; and
 - c) Vice President, Service Delivery and Innovation or, in their absence, a delegate for contract values of \$250,000 or more.
- iii) **Sole Vendor:** In consultation with Contracting and Procurement Services, it is determined that only one vendor is able to perform the services;
- iv) **Government Organization:** The contract is with another government organization; or
- v) **Individual or Family Preference:** An individual and/or family has expressed a preference for a vendor; the vendor is able to meet the pre-qualification requirements; and the cost is reasonable.

Pre-Awarding and Awarding: Direct Award (Non-Program Expenditures)

3.27 A direct award for Non-Program Expenditures may be made only when one of the following criteria apply:

- i) **Small Scale Project or Service:** The expected contract is time limited, the value is under \$25,000, and it is not reasonable or cost-effective to compete the procurement opportunity; or
- ii) **Invitational Competition:** The expected contract is time limited, the value is between \$25,000 and \$75,000, and the department has obtained bids from a minimum of three vendors who are qualified to provide the goods or services; or
- iii) **Unforeseeable Emergency:** The expected contract value is \$75,000 or more, an unforeseeable emergency exists, there is immediate risk to CLBC's operations, and requires the approval of:
 - a) The Vice President responsible, and
 - b) The Director, Procurement Strategy and Workplace Solutions; or
- iv) **Sole Vendor:** In consultation with Contracting and Procurement Services, it is determined that only one vendor is able to perform the services or deliver the goods; or
- v) **Government Organization:** The contract is with another government organization.

Contract Management: General

3.28 CLBC staff must comply with the *Organizational Information Security Policy* and other appropriate information management policies and processes to secure and protect all:

- i) Bid documentation;
- ii) Vendor information submitted in connection with a procurement process or contract; and
- iii) Contract information.

Only authorized CLBC staff can access this information, and it cannot be disclosed to any party outside of the relevant procurement/contract process.

3.29 Contracting and Procurement Services is responsible for ensuring that all documentation relating to a competitive procurement is properly filed and maintained.

3.30 The reasons supporting the award of a contract must be documented for all contracts with a contract value of \$10,000 or more.

3.31 Contract Owners are responsible to ensure that all documentation related to contract performance is filed appropriately, including but not limited to confirmation of deliverables, monitoring reports, vendor performance reports, important correspondence, and contract review assessments.

3.32 Contracts must be authorized in compliance with the CLBC *Financial Authority Policy – Delegation to Management*.

3.33 Contracts must include expected and clear deliverables and outcomes. For fixed term contracts, a maximum value must be included.

Policy Framework

3.34 Program services require a contract in CLBC's standard form, except for an agreement with another government organization where that organization and CLBC jointly determine the contract form to be used.

3.35 Program Service contracts require a vendor who is registered, active and in good standing with WorkSafeBC.

3.36 Non-Program Expenditures with a contract value of \$10,000 or more require a contract in CLBC's standard form, except as permitted in Section 3.37 of this policy. Non-Program Expenditures with a contract value under \$10,000 may be undertaken either with a contract in CLBC's standard form or a written agreement under direction from Contracting and Procurement Services.

3.37 The following Non-Program Expenditure contracts may be undertaken on vendors' contract templates:

- i) Vehicle and equipment rentals;
- ii) Space rentals/leases/hotel bookings;
- iii) Software licensing; and
- iv) Airline services.

Contracts over \$25,000 require prior approval of the Director, Procurement Strategy and Workplace Solutions, or their delegate, who will determine whether a review by legal counsel is needed.

3.38 Prior approval of the Vice-President, Finance and CFO or their delegate is required for:

- i) Amendments to CLBC's standard contract templates or *Terms and Conditions*, including variations from the requirements of this policy; or
- ii) The use of contracts prepared on vendors' contract templates for services/goods of a type other than those permitted in Section 3.36 in this policy.

The Vice-President, Finance and CFO, or their delegate, is responsible for determining whether review by legal counsel is needed.

3.39 An indemnity may only be given by or on behalf of CLBC if an authorized representative of the Risk Management Branch from the Ministry of Finance has given prior written approval.

3.40 Contracts are monitored to assess contractor performance and ensure deliverables and standards are met as articulated in:

- i) Program Service contracts are assessed based on CLBC's *Monitoring Policy*;
- ii) Non-program services are assessed based on CLBC's *Procurement and Contracting Procedures Guide*.

Contract Management: Contract Modification

- 3.41** Modifications to the scope of services must be substantially consistent with the nature and intent of the original contract.
- 3.42** For program services, modifications related to the original scope of services and intended to accommodate changes in the needs of individual(s) and/or families are considered to be within the nature and intent of the original contract.
- 3.43** All modifications to the contract's scope of services requires written approval by CLBC and the vendor.
- 3.44** Term extensions are allowed when:
- i) The potential for extension was explicit in the solicitation documents; or
 - ii) The original competitive process was undertaken in the previous twelve months.
- 3.45** Contracts that arise from a direct award under:
- i) Section 3.25 (i) Small Scale Project or Service, Section 3.26 (i) Small Scale Project or Service, and Section 3.26 (ii) Invitational Competition may be modified, where the total value of the original contract and all modifications continue to be under the limit for that award type and/or another direct award criterion is satisfied;
 - ii) Section 3.25 (ii) Unforeseeable Emergency and Section 3.26 (iii) Unforeseeable Emergency are limited to the original term and may not be extended; and
 - iii) Section 3.25(iii) Sole Vendor, (iv) Government Organization, or (v) Individual/Family Preference and Section 3.26(iii) Sole Vendor, (iv) Government Organization, or (v) Individual/Family Preference may be modified provided that one or more of the criteria in those sections continues to apply.
- 3.46** Extensions to the term and/or modifications to increase the funding amount or fees, and expenses or change service specifications (for example, named individuals, hours/days of service) may be made by notification by CLBC to the vendor.

Contract Management: Contract Termination

- 3.47** Contracts must allow for immediate termination in the following circumstances:
- i) The vendor has been notified by CLBC of the vendor's failure to fulfill its responsibilities and within 30 days of receiving the notice the vendor has not:
 - a) Corrected the failure; or
 - b) Developed and obtained CLBC's agreement to a plan to correct the failure;
 - ii) The health or safety of the individual and/or family receiving services is at immediate risk; or
 - iii) The vendor becomes insolvent.

3.48 For program services, contracts must include the right of CLBC to terminate the contract without cause with a maximum notice period of 90 days.

Contract Management: Disputes

3.49 Disputes arising out of any contract are dealt with in a just, prompt and cost-effective manner in compliance with the governing contract language and as outlined in the CLBC *Procurement and Contracting Procedures Guide*.

4. PROCEDURES

Refer to the CLBC *Procurement and Contracting Procedures Guide*.

5. DOCUMENTATION

Refer to the CLBC *Procurement and Contracting Procedures Guide*.

6. REFERENCES

BC Government

BC Government Corporate Supply Arrangements

CLBC

Contracting Instructions

[Cultural Safety Policy](#)

Financial Authority Policy – Delegation to Management

Grants Policy

[Individualized Funding Policy](#)

[Monitoring Policy](#)

Planning, Budgeting and Reporting Policy

Procurement and Contracting Procedures Guide

Services Terms and Conditions for Contracts Between Community Living British Columbia and Service Providers