AGENDA
MIDDLESEX-LONDON BOARD OF HEALTH
Finance and Facilities Committee

50 King Street, London
Middlesex-London Health Unit – Room 3A
Thursday, March 7, 2019 9:00 a.m.

1. DISCLOSURE OF CONFLICTS OF INTEREST

2. APPROVAL OF AGENDA

3. APPROVAL OF MINUTES – February 7 and February 14, 2019

4. NEW BUSINESS

4.1 2018 Board of Health Remuneration (Report No. 010-19FFC)
4.2 Bylaw and Policy Review (Report No. 011-19FFC)
4.3 Q4 Financial Update and Factual Certificate (Report No. 012-19FFC)
4.4 2018 Visa / Vendor Payments (Report No. 013-19FFC)
4.5 Public Sector Salary Disclosure (Report No. 014-19FFC)

5. OTHER BUSINESS

5.1 Next meeting Thursday, April 4, 2019 at 9:00 a.m. Room 3A

6. ADJOURNMENT

PUBLIC MINUTES
FINANCE & FACILITIES COMMITTEE
50 King Street, London
Middlesex-London Health Unit
Thursday, February 7, 2019 9:00 a.m.

MEMBERS PRESENT: **Mr. Matt Reid (Chair)**
Ms. Maureen Cassidy
Ms. Kelly Elliott
Ms. Trish Fulton
Ms. Tino Kasi

OTHERS PRESENT: Dr. Christopher Mackie, Secretary-Treasurer
Ms. Lynn Guy, Executive Assistant to the Medical Officer of Health (Recorder)
Ms. Laura Di Cesare, Director, Healthy Organization
Dr. Alex Summers, Associate Medical Officer of Health
Mr. Brian Glasspoole, Manager, Finance
Mr. Joe Belancic, Manager, Procurement and Operations
Ms. Jessica Chin, Medical Student
Ms. Melanie Wong-King-Cheong, Medical Student
Mr. Andrew Namasivayam, Medical Student
Ms. Amanda Toufeili, Medical Student

At 9:00 a.m., Dr. Mackie called the meeting to order and opened the floor to nominations for Chair of the Finance & Facilities Committee for 2019.

Ms. Cassidy, seconded by Ms. Kasi, nominated Mr. Reid for Chair of the Finance & Facilities Committee for 2019.

Carried

Mr. Reid accepted the nomination.

Dr. Mackie called three times for further nominations. None were forthcoming.

It was moved by Ms. Kasi, seconded by Ms. Cassidy, *that Mr. Reid be acclaimed as Chair of the Finance & Facilities Committee for 2019.*

Carried

Chair Reid reviewed the Committee's membership to ensure quorum.

DISCLOSURE OF CONFLICT OF INTEREST

Chair Reid inquired if there were any disclosures of conflicts of interest. None were declared.

APPROVAL OF AGENDA

It was moved by Ms. Fulton, seconded by Ms. Elliott, *that the **AGENDA** for the February 7, 2019 Finance & Facilities Committee meeting be approved.*

Carried

APPROVAL OF MINUTES

It was moved by Ms. Cassidy, seconded by Ms. Elliott, *that the **MINUTES** of the November 1, 2018 Finance & Facilities Committee meeting be approved.*

Carried

NEW BUSINESS

4.1 Finance & Facilities Committee – Terms of Reference (Report No. 001-19FFC)

Dr. Mackie noted that this item is brought to this Committee each year to inform new members and provide existing members with an update in case there have been any changes to the document. The Terms of Reference outline the Committee's duties and responsibilities.

It was moved by Ms. Elliott, seconded by Ms. Cassidy, *that the Finance & Facilities Committee review and approve Report No. 001-19FFC re: "Finance & Facilities Committee – Terms of Reference."*

Carried

4.2 Finance & Facilities Committee – 2019 Reporting Calendar (Report No. 002-19FFC)

Dr. Mackie noted that the work of the Committee has been allocated into quarters. This document provides a framework for the various activities and reports that will come forward to the Committee each quarter.

A question was raised in regard to the vacant position of Provincial Appointee to the Board of Health. Dr. Mackie provided an update, noting that there has been no indication about when this position will be appointed. The vacancy has remained unfilled for more than two years.

It was moved by Ms. Fulton, seconded by Ms. Kasi, *that the Finance & Facilities Committee approve Report No. 002-19FFC re: "Finance & Facilities Committee – 2019 Reporting Calendar."*

Carried

4.3 Health Unit General Insurance Policy Renewal (Report No. 003-19FFC)

Mr. Glasspoole provided details for the report. He noted that the costs for general insurance are anticipated to increase by 4.3% above the prior year due largely to natural disasters elsewhere. The Health Unit has had no substantial claims; therefore, the rates are favourable.

Mr. Glasspoole also advised that a comprehensive review of insurance coverage will be undertaken later this year.

It was moved by Ms. Cassidy, seconded by Ms. Kasi, *that the Finance & Facilities Committee approve the renewal of the Health Unit's insurance as outlined in Report No. 003-19FFC re: "Health Unit General Insurance Policy Renewal."*

Carried

4.4 Technology and Infrastructure Reserve Funds (Report No. 004-19FFC)

Dr. Mackie noted that in 2014, the Health Unit undertook a comprehensive review of reserve funds in consultation with municipal funders. At that time, a reserve fund for technology and infrastructure capital projects was created. The process for the provincial health capital grant is proceeding, but it is unclear that MLHU would receive a grant under this program, and if so when. It is anticipated that the reserve funds will be required this year for technology and infrastructure costs associated with the Health Unit's relocation.

Further discussion ensued on the following items:

- The provincial capital grant.
- The City of London loan.

It was moved by Ms. Fulton, seconded by Ms. Cassidy, *that the Finance & Facilities Committee recommend that the Board of Health approve the use of up to $1,500,000 in Technology and Infrastructure*

Reserve Fund monies to fund, in part, the cost of leasehold improvements in connection with the Health Unit's relocation of premises to Citi Plaza.

Carried

4.5 Information Technology Status Report – Q1 2019 (Report No. 005-19FFC)

Ms. Di Cesare noted that this report is an update to the IT Workplan previously presented to the Committee in 2018. The report highlights the ten most major projects for implementation in 2019.

Mr. Belancic advised that the Health Unit's IT server will be moved to the START Data Centre on York Street.

It was moved by Ms. Fulton, seconded by Ms. Elliott, *that the Finance & Facilities Committee receive Report No. 005-19FFC re: "Information Technology Status Report – Q1 2019" for information.*

Carried

OTHER BUSINESS

Dr. Mackie asked that the Chair approve the addition of a Program Budgeting Marginal Analysis (PBMA) Process and Overview update.

In a PowerPoint presentation, Dr. Mackie provided this update. Adopting PBMA has enabled the Health Unit to show enhanced transparency, ensure the greatest impact on health outcomes across the organization, and facilitate informed financial decision-making. The PBMA scoring criteria was also discussed.

Dr. Mackie noted that since 2014, 475 proposals have been put forward by staff, with 214 approved.

Ms. Di Cesare provided a presentation on the PBMA for the 2019 budget, which further explained the timeline and process from the start of the year to the final outcome. She also enumerated for the Committee all of the proposals approved for this year, beginning with the disinvestments and investments, and concluding with the one-time funding requests. She provided details for each proposal and answered questions.

Dr. Mackie advised that at next week's FFC meeting, the Committee will see the full budget for 2019.

Discussion ensued on the following items:

- How the criteria scoring works
- Reassignment of staff (there have been no staff layoffs to date)
- Estimating salaries for new positions (in the context of hiring for an investment position)
- The importance of including plenty of detail in PBMA proposals
- Whether it would be possible to provide the FFC with a test of the PBMA software.

Next meeting: February 14, 2019

CONFIDENTIAL

At 10:09 a.m., it was moved by Ms. Fulton, seconded by Ms. Elliott, *that the Finance & Facilities Committee approve the confidential minutes of the November 1, 2018 Finance & Facilities Committee meeting.*

Carried

ADJOURNMENT

At 10:10 a.m., it was moved by Ms. Cassidy, seconded by Ms. Kasi, *that the meeting be adjourned.*

Carried

At 10:10 a.m., Chair Reid *adjourned the meeting*.

MATT REID
Committee Chair

CHRISTOPHER MACKIE
Secretary-Treasurer

PUBLIC MINUTES
FINANCE & FACILITIES COMMITTEE
MLHU Boardroom
399 Ridout Street North, London
Middlesex County Building
Thursday, February 14, 2019 9:00 a.m.

MEMBERS PRESENT:	Mr. Matt Reid (Chair) Ms. Maureen Cassidy Ms. Tino Kasi
Regrets:	Ms. Trish Fulton Ms. Kelly Elliott
OTHERS PRESENT:	Dr. Christopher Mackie, Secretary-Treasurer Ms. Elizabeth Milne, Executive Assistant to the Board of Health and Communications Coordinator (Recorder) Dr. Alexander Summers, Associate Medical Officer of Health Ms. Laura Di Cesare, Director, Healthy Living Ms. Mary Lou Albanese, Manager, Infectious Disease Control Ms. Marilyn Atkin, Coordinator, Community Outreach and Harm Reduction Mr. Jordan Banninga, Manager, Program Planning and Evaluation Ms. Tammy Beaudry, Accounting and Budget Analyst Mr. Joe Belancic, Manager, Operations Ms. Rhonda Brittan, Manager, Healthy Communities and Injury Prevention Mr. Jeff Cameron, Manager, Information Technology Mr. Brian Glasspoole, Manager Finance Ms. Judy Green, Manager, Emergency Preparedness Ms. Donna Kosmack, Manager, Southwest Tobacco Control Area Network Ms. Heather Lokko, Director, Healthy Start Ms. Ronda Manning, Manager, Early Years Team Ms. Svetlana Mutlak, Executive Assistant Ms. Jody Paget, Manager, Vaccine Preventable Disease Mr. David Pavletic, Manager, Food Safety Healthy Environments Mr. Fatih, Sekercioglu, Manager, Safe Water, Rabies and Vector-Borne Disease Ms. Linda Stobo, Manager, Chronic Disease Prevention and Tobacco Control Mr. Steve Turner, Director, Environmental Health and Infectious Diseases Ms. Kendra Ramer, Manager, Strategic Projects Ms. Maureen Rowlands, Director, Healthy Living

At 9:08 a.m., Chair Reid called the meeting to order.

DISCLOSURES OF CONFLICT(S) OF INTEREST

Chair Reid inquired if there were any disclosures of conflicts of interest. None were declared.

APPROVAL OF AGENDA

It was moved by Ms. Kasi, seconded by Ms. Cassidy *that the **AGENDA** for the February 14, 2019 Finance and Facilities Committee meeting be approved.*

Carried

NEW BUSINESS

Funding Requests to Ministry of Health (Report No. 006-19FFC)

Dr. Mackie introduced this report and provided context. Noting some of the prioritized one-time and ongoing projects.
It was moved by Ms. Kasi, seconded by Ms. Cassidy, *that the Finance & Facilities Committee make recommendation to the Board of Health to:*

1) *Approve Appendix A, outlining Base Funding Requests totalling $328,469;*
2) *Approve Appendix B, outlining One-Time Funding Requests totalling $534,994; and*
3) *Direct staff to submit the funding requests in the 2019 Annual Service Plan to the Ministry.*

Carried

2019 Proposed Budget (Report No. 007-19FFC)

Dr. Mackie introduced this report with a presentation to the Committee, providing a high-level summary of the Health Unit's budget by Division. Dr. Mackie noted that the budget document is a summary of all of the Health Unit's work, by team, which does not match the Ministry's reporting structure, which is by program. Dr. Mackie drew the committee's attention to the team charts prepared to outline how each program within the Annual Service Plan fits within the Health Unit's Team and Division structure.

Healthy Organization Division

Ms. Di Cesare introduced the Healthy Organization Division and the Managers representing each team within the Division which include Finance, Human Resources, Strategic Projects, Privacy Risk and Governance, Information Technology, Procurement and Operations, Program Planning and Evaluation, and the program-related activities that each team administers as per the organizational requirements of the Annual Service Plan including a high level overview of the activities planned for 2019.

Mr. Cameron highlighted the Information Technology (IT) Team, providing a background on Stronghold Services, the service they provide to the Health Unit and the number of projects that Stronghold is involved with at MLHU.

Dr. Mackie noted the tabs within the Annual Service Plan that the Healthy Organization Division covers.

Discussion ensued about the following items:

- How the internet service provider will be transitioned when moving to the new location next year.
- The relocation of IT infrastructure at the time of the move and how the servers will be moved.
- The $200,000-dollar jump in the Human Resources budget between 2017 and 2018, which was caused a restructuring across the Healthy Organization Division, and corresponded with decreases in other budget lines.

Healthy Living Division

Ms. Rowlands introduced the Healthy Living Division, Ms. Donna Kosmack, Manager of the Southwest Tobacco Control Area Network and Ms. Rhonda Brittan, Manager of Healthy Communities and Injury Prevention.

Ms. Rowlands reviewed the Teams within the Healthy Living Division which include Child Health, Chronic Disease Prevention and Tobacco Control, Healthy Communities and Injury Prevention, Oral Health, Policy Advisory, Southwest Tobacco Control Area Network and Young Adult Teams.

Ms. Rowlands highlighted the work of the Oral Health Team within the Healthy Living Division, which includes screening in schools, referrals through Healthy Smiles Ontario, the fluoride varnish program and looking towards beginning fluoride varnish in daycares going forward. Ms. Rowlands noted that the Oral Health Team did not bring in as much revenue in 2018 as was expected and outlined some of the reasons that accounted for the reduction in expected revenue in 2019.

Discussion ensued about the following items:

- How children are referred to dentists in the community and how the costs are covered.
- Challenges faced when referring through Healthy Smiles Ontario.
- How fees are recouped through the Oral Health clinics at MLHU and the service fees that are charged at the Southwest Ontario Aboriginal Health Access Centre (SOAHAC) Dental Clinic to help the Health Unit recoup its cost for providing a Dentist.
- How the SOAHAC dental clinic can best be promoted within the community to help increase uptake of service at the clinic going forward.
- That the Health Unit is also going to schools located in the neighboring Indigenous communities to provide preventive dental screening to children.
- Funding for Cannabis enforcement at the Municipal level that has not yet reached Health Unit budgets.

Office of the Medical Officer of Health

Dr. Mackie introduced this Division and the Teams that report to the Medical Officer of Health which include Communications and the Office of the Associate Medical Officer of Health. Dr. Mackie reviewed some of the key activities of the Office of the Medical Officer of Health.

Dr. Summers introduced and highlighted the work of the Population Health Assessment and Surveillance (PHAST) Team that he oversees within the Office of the Associate Medical Officer of Health. The PHAST Team includes Epidemiologists and Data Analysts. Dr. Summers provided context as to why there are some changes to the PHAST budget for the 2018-19 year.

Discussion ensued about why professional fees are increasing, which is related to the relocation project and is coming from the Medical Officer of Health budget since several consultants will work directly with Dr. Mackie on the project.

Environmental Health & Infectious Disease Division

Mr. Turner introduced and provided context to the Environmental Health and Infectious Disease (EHID) Division and introduced the Managers of each Team within the Division, which include Emergency Management, Food Safety and Healthy Environments, Infectious Disease Control, Safe Water, Rabies and Vector-Borne Disease, Sexual Health, the Travel Clinic and Vaccine Preventable Disease. Mr. Turner reviewed some of the services that each Team provides, which includes restaurant inspections, Infection Prevention and Control inspections and enforcement within treatment facilities, such as personal service settings, outbreak management, outreach work in the community, sexual health and immunization clinics and emergency preparedness response and recovery.

Mr. Turner introduced Ms. Paget, Manager of the Vaccine Preventable Disease Team and highlighted the work of the Vaccine Preventable Disease Team, its budget and the services provided to the community.

Discussion ensued about the decrease to funding for Panorama and any program-related impacts it may have on the Vaccine Preventable Disease Team.

Healthy Start Division

Ms. Lokko introduced the Healthy Start Division, Ms. Ronda Manning, Manager of the Early Years Team and the Teams within the Healthy Start Division which include Best Beginnings, Reproductive Health, Early Years and Screening Assessment and Intervention services. Ms. Lokko highlighted some of the services provided by Healthy Start Teams which include home visiting programs, breastfeeding support, group programs for prenatal and post-partum, community engagement and collaboration as it relates to the early years and e-learning initiatives to assist new parents. Ms. Lokko noted some of the more significant changes to the Healthy Start budget which include shifting resources to focus on supporting priority populations.

Discussion ensued about the following items:

- The Screening Assessment and Intervention Program and how the budget will be reflected next year when the service moves to Thames Valley Children's Centre.
- What the new catchment area will be for the service once provided by Thames Valley Children's Centre.
- How staff will be effected by shifting the service to Thames Valley Children's Centre.
- The services that will be offered by shifting a Public Health Nurse to the Reproductive Health Team.
- How priority populations are determined and how often those priority populations versus non-priority populations are served by Healthy Start programs and supports.

Office of the Chief Nursing Officer

Ms. Lokko introduced the Office of the Chief Nursing Officer budget and Teams within it, which include Community Health Nursing Specialists and Health Equity and Indigenous Reconciliation staff. Ms. Lokko described the focus of the work of the Healthy Equity Team and Community Health Nursing Specialists, noting the significant increase to the budget, which includes approving a new Community Health Nursing Specialist position and Manager of Health Equity and Indigenous Reconciliation.

Discussion ensued about the following items:

- Health equity, social determinants of health and strategies that the Health Unit can focus on to understand and better address health inequities in our community.
- How the new Health Equity Team and positions will function within the organization to build capacity and engage in broad collaboration work.
- How the additional Community Health Nursing Specialist position within Nurse Family Partnership will be jointly funded with other agencies contributing 80%.
- The staff complement of the Healthy Equity Team.

Funding Sources and General Expenses and Revenues

Mr. Brian Glasspoole provided an overview of funding sources and highlighted some of the budget and funding changes between 2018 and 19, including the distribution of funds.

Mr. Glasspoole also reviewed the major components of the general expenses.

Discussion ensued about the following items:

- How the Health Unit's budget aligns with the City of London budget planning, should a request for an increase in funding be required in the future.
- The Health Unit's budget planning timelines.
- The reserve fund balance, what the fund includes, what it is available for and that the fund is currently held in cash.

- That professional fees are expected to reduce after the next year once the relocation project is complete.
- Occupancy fees for the new location.

It was moved by Ms. Kasi, seconded by Ms. Cassidy *that the Finance & Facilities Committee make recommendation to the Board of Health to:*

1) *Approve the 2019 Proposed Budget in the gross amount of $34,601,981 as appended to Report No. 007-19FFC re: "2019 Proposed Budget";*
2) *Direct staff to bring forward for approval via the quarterly variance process priorities from the list of "2019 PBMA Proposals to be Considered for Variance Funding or Other Alternatives" in Appendix A;*
3) *Forward Report No. 007-19FFC to the City of London and the County of Middlesex for information; and;*
4) *Direct staff to submit the 2019 Proposed Budget in the various formats required by the different funding agencies.*

Carried

Southwest Tobacco Control Area Network Contract Extension (Report No. 009-19FFC)

Ms. Kosmack introduced this report and provided context to how these vendors assist in affecting behavior change in target demographics to reduce smoking rates, including some of the strategies used to affect this change.

Discussion ensued about if any of the focus would shift to Cannabis use at some point and what current Cannabis-use messaging includes.

It was moved by Ms. Kasi, seconded by Ms. Cassidy, *that the Finance & Facilities Committee recommend that the Board of Health award a single-source vendor contract to Cinnamon Toast in an amount up to $29,800 as identified in Report No. 009-19FFC re: "Southwest Tobacco Control Area Network Contract Extension."*

Carried

Southwest Tobacco Control Area Network (SW TCAN) Single Source Vendor (Report No. 008-19FFC)

Ms. Kosmack introduced this report and provided context to the service provided by Rescue and the alternative crowds this behavior change agency targets to reduce tobacco use and smoking rates.

Discussion ensued about the following items:

- The long-term plan for retaining the vendor in future years and continuing to target the current alternative youth audience.
- How much more the MLHU has to fund for the project should other Health Unit's pull their funding out of the contract due to budget cuts.
- The severability clause within the contract.

It was moved by Ms. Kasi, seconded by Ms. Cassidy, *that the Finance & Facilities Committee recommend that the Board of Health award a single-source vendor contract to Rescue: The Behavior Change Agency in an amount up to $127,003.53 as identified in Report No. 008-19FFC re: "Southwest Tobacco Control Area Network (SW TCAN) Single Source Vendor."*

Carried

OTHER BUSINESS

Next meeting: March 7, 2019

ADJOURNMENT

At 10:58 a.m., it was moved by Ms. Kasi, seconded by Ms. Cassidy, *that the meeting be adjourned.*

Carried

At 10:58 a.m. Chair Reid *adjourned the meeting*.

MATT REID	**CHRISTOPHER MACKIE**
Committee Chair	**Secretary-Treasurer**

MIDDLESEX-LONDON HEALTH UNIT

REPORT NO. 010-19FFC

TO: Chair and Members of the Finance & Facilities Committee

FROM: Christopher Mackie, Medical Officer of Health / CEO

DATE: 2019 March 7

2018 BOARD OF HEALTH REMUNERATION

Recommendation

It is recommended that the Finance & Facilities Committee review and make recommendation to the Board of Health to receive Report No. 010-19FFC re: "2018 Board of Health Remuneration" for information.

Key Points

- Section 49 of the *Health Protection and Promotion Act* outlines the reimbursement of Board of Health members.
- Under Section 284 (1) of the *Municipal Act*, the City of London and the Middlesex County Administration are required to report on the remuneration paid to Council members, including remuneration paid to members of Council by boards and commissions.

Background

Section 49 of the *Health Protection and Promotion Act* (HPPA) speaks to the composition, term, and remuneration of Board of Health members. Subsections (4), (5), (6), and (11), below, relate specifically to remuneration and expenses.

Remuneration

(4) A board of health shall pay remuneration to each member of the board of health on a daily basis and all members shall be paid at the same rate. R.S.O. 1990, c. H.7, s. 49 (4).

Expenses

(5) A board of health shall pay the reasonable and actual expenses of each member of the board of health. R.S.O. 1990, c. H.7, s. 49 (5).

Rate of remuneration

(6) The rate of the remuneration paid by a board of health to a member of the board of health shall not exceed the highest rate of remuneration of a member of a standing committee of a municipality within the health unit served by the board of health, but where no remuneration is paid to members of such standing committees the rate shall not exceed the rate fixed by the Minister and the Minister has power to fix the rate. R.S.O. 1990, c. H.7, s. 49 (6).

Member of municipal council

(11) Subsections (4) and (5) do not authorize payment of remuneration or expenses to a member of a board of health, other than the chair, who is a member of the council of a municipality and is paid annual remuneration or expenses, as the case requires, by the municipality. R.S.O. 1990, c. H.7, s. 49 (11).

In relation to Section 49(6), the Board of Health's meeting rate for 2018 was $151.49.

2018 Remuneration and Expenses

Under Section 284 (1) of the *Municipal Act*, the City of London and the Middlesex County Administration are required to report on the remuneration paid to Council members, including remuneration paid to members of Council by boards and commissions. The remuneration report, attached as Appendix A, includes stipends paid for meetings and reimbursements for travel and related expenses that the Health Unit provided to each Board of Health member in 2018.

In addition to the regular Board of Health meetings, in 2018 the Board of Health operated three committees: the Finance & Facilities Committee, which met eight times; the Governance Committee, which met four times; and the Relocation Advisory Committee, which met twice.

Members of the 2018 Committees were as follows:

Finance & Facilities Committee:

Ms. Trish Fulton (Chair)
Mr. Jesse Helmer
Mr. Marcel Meyer
Ms. Tino Kasi
Ms. Joanne Vanderheyden

Governance Committee:

Mr. Trevor Hunter (Chair)
Ms. Joanne Vanderheyden
Ms. Trish Fulton
Mr. Ian Peer
Mr. Kurtis Smith

Relocation Advisory Committee:

Mr. Ian Peer (Chair)
Mr. Michael Clarke
Mr. Trevor Hunter
Ms. Joanne Vanderheyden
Mr. Marcel Meyer

Consistent with Section 49(11) of the *Health Protection and Promotion Act*, London City Councillor Ms. Maureen Cassidy received no remuneration for any Board of Health or Committee meetings.

This report was prepared by the Finance Team, Healthy Organization Division.

Christopher Mackie, MD, MHSc, CCFP, FRCPC
Medical Officer of Health

Appendix A

Report No. 010-19FFC

MIDDLESEX-LONDON BOARD OF HEALTH
2018 REMUNERATION REPORT

Board Member	Board/Committee Meetings	Board Mtg. Travel	Other Mtgs./ Conferences	Other Travel & Accomm.	Total
Ms. Maureen Cassidy[1]	$ -	$ -	$ -	$ -	$ -
Mr. Michael Clarke[2]	$ 1,514.90	$ 216.73	$ 1,057.64	$ 403.31	$ 3,192.58
Ms. Trish Fulton	3,105.54	8.19	302.98	-	3,416.71
Mr. Jesse Helmer[1,3]	151.49	-	-	-	151.49
Mr. Trevor Hunter	2,423.84	-	302.98	-	2,726.82
Ms. Tino Kasi	2,272.35	-	151.49	-	2,423.84
Mr. Marcel Meyer	2,726.82	382.08	1,363.41	140.06	4,612.37
Mr. Ian Peer	2,272.35	-	605.96	-	2,878.31
Mr. Matt Reid	151.49	8.72	-	-	160.21
Mr. Kurtis Smith	2,272.35	565.73	151.49	50.97	3,040.54
Ms. Joanne Vanderheyden (Chair)	3,294.88	539.14	1,363.41	373.45	5,570.88
TOTAL	**$ 20,186.01**	**$ 1,720.59**	**$ 5,299.36**	**$ 967.79**	**$ 28,173.75**

Notes:

1) Remuneration for meetings for City Councillors is included in their annual salary which is paid by the City of London

2) Mr. Matt Reid appointed December 1, 2018

3) Mr. Jesse Helmer received a stipend as the Chair of the Board of Health (January meeting) as per the Health Protection & Promotion Act Section 49(11)

MIDDLESEX-LONDON HEALTH UNIT

REPORT NO. 011-19FFC

TO: Chair and Members of the Finance and Facilities Committee

FROM: Christopher Mackie, Medical Officer of Health / CEO

DATE: 2019 March 7

BY-LAW AND POLICY REVIEW

Recommendation

It is recommended that the Finance and Facilities Committee:

1) ***Receive Report No. 011-19FFC for information; and***
2) ***Approve the governance by-laws and policies outlined within this report, which relate to the financial operations of the Middlesex-London Health Unit to go to Governance Committee for final review.***

Key Points

- The Board of Health is responsible for the Health Unit's governance by-laws and policies.
- The approved policy model requires that governance by-laws and policies be reviewed at least every two years; review and revision of governance by-laws and policies can be initiated at any time as needed.
- The by-laws and policies brought forward to the Finance and Facilities Committee have been reviewed by staff and updated as necessary to ensure continuing compliance with applicable standards, legislation and agreements.
- Once the Finance & Facilities Committee is satisfied with its review, the by-laws and policies will be forwarded to the Governance Committee for final review.

Background

In 2016, the Board of Health approved a plan for developing and revising by-laws and policies based on a model that incorporates best practices from the Ontario Public Health Standards and advice obtained through legal counsel. Refer to Report No. 018-16GC.

Policy Review

The following by-laws and policies were prepared for review by the Finance and Facilities Committee in accordance with the two-year review cycle:

- G-B10 - By-law No. 1 - Management of Property
- G-230 - Procurement

G-B10 - By-law No. 1 – Management of Property required a minor revision, attached as **Appendix A**.

The Procurement Policy attached as **Appendix B** was updated to ensure alignment with obligations outlined in relevant trade agreements such as the Canadian Free Trade Act, Canada EU Comprehensive Economic and Trade Agreement, and the Ontario-Quebec Trade and Co-Operation Agreement which have been

amended since the policy was last approved. This includes changes to the following, where the monetary thresholds are over $100,000:

- Tender notice access
- Posting Periods
- Notice Periods
- Reporting requirements
- Limited tendering; and
- Negotiations.

In addition, the Procurement Policy was updated to reflect changes to the division name from Corporate Services to Healthy Organization. This also includes removal of references to the Finance department due to changes in reporting structure for the Procurement and Operations department.

These changes bring the policy in line with federal and provincial requirements. Further changes to the policy are anticipated following the implementation of the procurement module in our Enterprise Resource Planning system later this year.

Language under Section 3.2 of the Procurement Policy was also adjusted for clarity.

Next Steps

The Finance and Facilities Committee has the opportunity to review the appended revised by-laws and policies.

Once the Finance & Facilities Committee is satisfied with its review, the by-laws and policies will be forwarded to the Governance Committee for final review.

The remaining policies due for review will be brought forward to the Finance and Facilities Committee in May 2019:

- G-200 - Approval and Signing Authority
- G-220 - Contractual Services
- G-B20 - By-law No. 2 - Banking & Finance
- G-B40 - By-law No. 4 - Duties of the Auditor

This report was prepared by the Healthy Organization Division.

Christopher Mackie, MD, MHSc, CCFP, FRCPC
Medical Officer of Health / CEO

MIDDLESEX-LONDON HEALTH UNIT

Board of Health: **By-law No. 1**

Pursuant to Section 56(1) (a) of the *Health Protection and Promotion Act*, R.S.O. 1990, as amended, chapter H.7, the Board of Health for the Middlesex-London Health Unit enacts By-law No. 1 to provide for the **management of property.**

1. In this by-law:

   (a) "Act" means the *Health Protection and Promotion Act*, R.S.O. 1990 (as amended), Chapter H.7.

   (b) "Board" means the Board of Health for the Middlesex-London Health Unit.

   (c) “Secretary-Treasurer” means the Secretary-Treasurer as defined in Policy G-270 as may be amended, from time to time.

2. The Board shall hold title to any real property acquired by the Board for the purpose of carrying out the functions of the Board and may sell, exchange, lease, mortgage, or otherwise charge or dispose of real property owned by it, subject to Section 52(3) of the Act. Section 52(3) of the Act does not apply unless the Board of Health has first obtained the consent of the councils of the majority of the municipalities within the health unit served by the Board of Health. R.S.O. 1990, c. H.7, s. 52 (4); 2002, c. 18, Sched. I, s. 9 (8).

3. The Medical Officer of Health / Chief Executive Officer (MOH / CEO) shall be responsible for the care and maintenance of all properties as required by the Board. For additional responsibilities of the MOH / CEO pertaining to property, and the terms of leasing or rental agreements, please refer to Policy G-030 MOH / CEO Position Description, as amended, from time to time.

4. The Board shall ensure that all such properties comply with applicable statutory requirements contained in local, provincial, and/or federal legislation (e.g., Building Code and Fire Code).

First Reading – December 8, 2016
Second Reading – December 8, 2016
Third Reading – December 8, 2016

This By-law is to be in force and effect and to remain in force and effect until otherwise amended by enactment by the Board.

Executed in London, in the Province of Ontario, on this December 8, 2016.

Reviewed by:	Finance and Facilities Committee	
Approved by:	Board of Health	
Date:	December 8, 2016	
Signature:	Mr. Jesse Helmer Chair, Board of Health	Dr. Christopher Mackie Secretary-Treasurer

BUREAU DE SANTÉ DE MIDDLESEX-LONDON HEALTH UNIT
www.healthunit.com

MIDDLESEX-LONDON HEALTH UNIT
GOVERNANCE MANUAL

SUBJECT:	Procurement	**POLICY NUMBER:**	**G-230**
SECTION:	Financial and Organizational Accountability	**PAGE:**	1 of 2

IMPLEMENTATION:	February 21, 2008	**APPROVAL:**	Board of Health
SPONSOR:	MOH / CEO	**SIGNATURE**:	
REVIEWED BY:	Finance and Facilities Committee	**DATE**:	December 8, 2016

PURPOSE

To ensure that the Middlesex-London Health Unit (MLHU) obtains the best value when purchasing goods, or contracting services.

To ensure MLHU procurement processes and decisions are open, transparent and fair, and comply with obligations set out in the Ontario Public Health Standards (OPHS) and relevant trade agreements.

POLICY

The protocol (Appendix A) prescribed in this policy shall be followed to make a contract award or to make a recommendation of a contract award to the Board of Health. This ensures that the MLHU procures the necessary quality and quantity of goods and/or services in an efficient, timely and cost effective manner, while maintaining the controls necessary for a public agency.

The policy encourages an open and competitive bidding process for the acquisition and disposal of good and/or services and the objective and equitable treatment of all vendors.

The policy also ensures the best value is attained for MLHU. This may include, but not be limited to, the determination of the total cost of performing the intended function over the lifetime of the task, acquisition cost, installation, disposal value, disposal cost, training cost, maintenance cost, quality of performance and environmental impact.

APPLICABLE LEGISLATION AND STANDARDS

Ontario Public Health Standards
Canadian Free Trade Agreement
Canada-EU Comprehensive Economic and Trade Agreement
Ontario-Quebec Trade and Cooperation Agreement

RELATED POLICIES

G-200 Approval and Signing Authority
G-220 Contractual Services

MIDDLESEX-LONDON HEALTH UNIT
GOVERNANCE MANUAL

SUBJECT:	Procurement	**POLICY NUMBER:**	**G-230**
SECTION:	Financial and Organizational Accountability	**PAGE:**	2 of 2

REVISION DATES (* = major revision)**:**

2008-02-21

Appendix A
Policy G-230

Middlesex-London Health Unit Procurement Protocols

BUREAU DE SANTÉ DE MIDDLESEX-LONDON HEALTH UNIT

Procurement Protocols
Table of Contents

Page

1.0 Purpose 1

2.0 General Information 1
- 2.1 Glossary of Terms 1
- 2.2 Documentation 4
- 2.3 The Accessibility for Ontarians with Disabilities Act (AODA) 5
- 2.4 Living Wage Considerations 5
- 2.5 Environmental Considerations 5
- 2.6 Summary of Procurement Process
  - 2.6.1 Chart 1 - Procurement Goals 6
  - 2.6.2 Chart 2 – Summary of Procurement Process 7

3.0 Non-Competitive Processes
- 3.1 Goals 11
- 3.2 Requirements 11
- 3.3 Procurement in Emergencies 11
- 3.4 Direct Negotiations 12

4.0 Competitive Processes
- 4.1 Request For Proposal 12
  - 4.1.1 Goals 12
  - 4.1.2 Informal Process Requirements 12
  - 4.1.3 Formal Process Requirements 13
  - 4.1.4 General Process 13
- 4.2 Request For Tender 14
  - 4.2.1 Goals 14
  - 4.2.2 Requirements 14
  - 4.2.3 General Process 14
- 4.3 Request For Quotation 15
  - 4.3.1 Goals 15
  - 4.3.2 Requirements 15
  - 4.3.3 General Process 15
    - 4.3.3.1 Informal Quotation Process 16
    - 4.3.3.2 Formal Quotation Process 17

Procurement Protocols
Table of Contents (continued)

Page

4.4 Informal, Low Value Procurement
4.4.1 Goals ... 17
4.4.2 Requirements ... 17
4.4.3 General Process ... 18

5.0 Bid and Contract Administration
5.1 Bid Submissions ... 19
5.2 Lack of Acceptable Responses to Request ... 19
5.3 Equal Bids ... 19
5.4 Insufficient Responses to Requests ... 20
5.5 Guarantees of Contract Execution & Performance ... 20
5.6 Requirement at Time of Execution ... 21
5.7 Contractual Agreement ... 22
5.8 Contract Amendments and Revisions ... 22
5.9 Contract Review/Renewal ... 22
5.10 Exclusion of Vendors from Competitive Process ... 24
5.10.1 Exclusion of Bidders in Litigation ... 24
5.10.2 Exclusion of Bidders Due to Poor Performance ... 24
5.11 Single/Sole Source ... 24
5.12 Blanket Purchases ... 25
5.13 Custody of Documents ... 25
5.14 Co-operative Purchasing ... 25
5.15 Receipt of Goods ... 25
5.16 Receipt of Services ... 26
5.17 Reporting to Board of Health ... 26
5.18 Direct Solicitation of Divisions ... 26
5.19 Lobby ... 26
5.20 Local references ... 26
5.21 Interference in Procurement Process ... 27
5.22 Resolution of Questions of Protocols ... 27
5.23 Access to Information ... 27
5.24 Protocol Amendment ... 27

6.0 Capital Assets Purchases/Improvements and Disposal ... 28

7.0 Excluded Goods & Services ... 29

8.0 Reviewing and Evaluate Effectiveness ... 30

9.0 Appendices

9.1 (A) Irregularities Contained in Bids 31
9.2 (B) Summary of Types of Procurement with Goals 33
9.3 (C) Procurement Circumstances 34
9.4 (D) Descriptive Features of Procurement Processes 35
9.5 (E) The “Two-Envelope” Procurement Process 40

1.0 PURPOSE

To establish sound policies for procuring supplies and services in a manner that is ethical, transparent and accountable. The following are goals of the procurement process:

(1) To ensure objectivity and integrity in the procurement process;
(2) To encourage competition among bidders by using an open, fair and transparent process;
(3) To ensure fair treatment of all bidders;
(4) To obtain the best value by ensuring quality, efficiency and effectiveness;
(5) To be environmentally conscious when procuring goods or services;
(6) Where beneficial, cooperate with other public sector agencies in order to obtain the best possible value;
(7) To promote and incorporate wherever possible in procurement activities, the requirements of the Ontarians with Disabilities Act;
(8) To ensure that living wage is applied to procurement activities;
(9) To adhere to the Code of Ethics of the National Institute of Governmental Purchasing.

2.0 GENERAL INFORMATION

(1) The procedures prescribed in these Protocols shall be followed to make a contract award or to make a recommendation of a contract award to the Board of Health.

(2) Unless otherwise provided in accordance with the Procurement Protocols, The Director, Healthy Organization, or designate and the authorized employees of the Procurement department shall be responsible for providing all necessary advice and services required for purchases authorized by these Protocols.

(3) No purchase of goods and services shall be authorized unless it is in compliance with the Procurement Protocols.

(4) No purchases shall be divided to avoid any requirements of this policy.

(5) Departments shall initiate purchases for unique department requirements to ensure that purchases are not duplicated in other departments. When corporate purchasing power is a factor, a corporate contract shall be sought.

2.1 Glossary of Terms

In these Protocols, unless a contrary intention appears,

"agreement" means a formal written legal agreement or contract for the supply of goods, services, equipment or construction;

"award" means the selection by the Health Unit of one or more bidder(s) for acquisition of goods or services. An award may be executed by means of a purchase order, contract record or formal agreement.

"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.

"bid" means a response to a competitive bid solicitation or any other offer to sell goods or services, which is subject to acceptance or rejection.

"bidder" means a person, corporation or other entity that responds to a competitive bid.

"bid deposit" means bank drafts, certified cheques, money orders, or bond surety to ensure the successful bidder will enter into a contract.

"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.

"certificate of clearance" means a certificate issued by an authorized official of the Workplace Safety and Insurance Board certifying that the Board waives its rights under subsection 141(10) of the Workplace Safety and Insurance Act, as amended.

"conflict of interest" means a situation, real or perceived, that could give a bidder or consultant an unfair advantage during a procurement process.

means a situation in which financial or personal considerations have the potential to compromise or bias professional judgement and objectivity.

means a situation where a personal or business interest of a Board Member, Director, and employees of the Health Unit, who is involved in the process of procuring goods or services, is in conflict or appear to come into conflict with the interests of the Health Unit.

"contract" means any formal or deliberate written agreement for the purchase of goods, services, equipment or construction;

"contract record" is a document which outlines the terms and conditions of the agreement;

"designate" means the person(s) assigned the duties and responsibilities on behalf or in the absence of the person charged with the principal authority to take relevant action or decision.

"director" means the head of a specific division of the Health Unit.

"employee – employer relationship" refers to the definition utilized by the Canada Customs and Revenue Agency.

"executed agreement" means a form of agreement, either incorporated in the bid documents or prepared by the Health Unit or its agents, to be executed by the successful bidder and the Health Unit.

"goods and services" includes supplies, materials and equipment of every kind required to be used to carry out the operations of the Health Unit.

"insurance documents" means certified documents issued by an insurance company licensed to operate by the Government of Canada or the Province of Ontario certifying that the bidder is insured in accordance with the Health Unit's insurance requirements as contained in the bid documents;

"irregular result" means that in any procurement process where competitive bids or proposals are submitted and any of the following has occurred or is likely to occur:

(i) The lowest responsive bid or proposal exceeds the estimated cost or budget allocation;
(ii) For any reason the award of the contract to or the purchase from the lowest responsive bidder or proponent is procedurally inappropriate or not in the best interests of the Corporation;
(iii) The specifications of a tender call or request for proposal cannot be met by two or more suppliers;
(iv) A negotiated result in accordance with section 4.5 of these Protocols; or
(v) Concurrence cannot be achieved between the Director and The Director, Healthy Organization, or designate regarding the award of contract.

"irregularities contained in bids" is defined in Appendix "A" and includes the appropriate response to those irregularities;

"non-compliant" means the response to the bid does not conform to the mandatory or essential requirements contained in the invitation to bid.

"professional service supplier" means a supplier of services requiring professional skills for a defined service requirement including:

(i) Architects, engineers, designers, management and financial consultants; and
(ii) Firms or individuals having specialized competence in environmental, planning or other disciplines.

"purchase order" means the purchasing document used to formalize a purchasing transaction with a vendor;

"purchase requisition" means a written or electronically produced request in an approved format and duly authorized to obtain goods or services;

"quotation" means a request for prices on specific goods and/or services from selected vendors which are submitted verbally, in writing or transmitted by facsimile as specified in the Request for Quotation;

"request for expression of interest" is a focused market research tool used to determine vendor interest in a proposed procurement. It may be issued simultaneously with a Request for Qualifications when the proposed procurement is well defined and the purchaser has clear expectations for the procurement.

"request for information" is used prior to issuing a competitive call as a general market research tool to determine what products and services are available, scope out business requirements, and/or estimate project costs;

"request for proposal" means a process where a need is identified, but the method by which it will be achieved is unknown at the outset. This process allows vendors to propose solutions or methods to arrive at the desired result;

"responsible" means a bidder who is deemed to be fully capable, technically and financially, to supply the goods or services requested in the solicitation.

"responsive" means a bid or offer which correctly and completely responds to all of the requirements of the competitive process.

"sealed bid" means a formal sealed response received as a part of a quotation, tender or proposal;

"single source" is a non-competitive procurement method whereby purchases are directed to one supplier even though there is more than one source in the open market.

"sole source" is a non-competitive procurement method whereby purchases are directed to one source of supply as no other source is qualified or capable of providing the goods or services.

"supplier" means any individual or organization providing goods or services to the Health Unit including but not limited to contractors, consultants, vendors, service organizations etc.

"Tender" means a sealed bid which contains an offer in writing to execute some specified services, or to supply certain specified goods, at a certain price, in response to a publicly advertised request for bids;

"Triggering event" means an occurrence resulting from an unforeseen action or consequence of an unforeseen event, which must be remedied on a time sensitive basis to avoid a material financial risk to the Health Unit or serious or prolonged risk to persons or property;

"Value Analysis" typically refers to a life cycle costing approach to valuing a given alternative, which calculates the long term expected impacts of implementing the particular option;

2.2 Documentation

(1) In order to maintain consistency, the Director, Healthy Organization, or designate shall provide protocols to Divisions on procurement policies and procedures and on the structure, format and general content of procurement documentation.

(2) The Director, Healthy Organization, or designate shall review proposed procurement documentation to ensure clarity, reasonableness and quality and shall advise the Services Areas of suggested improvements.

(3) Procurement documentation shall avoid use of specific products or brand names.

(4) Notwithstanding Subsection 2.2 (3), a Division may specify a specific product, brand name or approved equal for essential functionality purposes to avoid unacceptable risk or for

some other valid purpose. In such instances, the Director, Healthy Organization or designate shall manage the procurement to achieve a competitive situation if possible.

(5) The use of standards in procurement documentation that have been certified, evaluated, qualified, registered or verified by independent nationally recognized and industry-supported organizations such as the Standards Council of Canada shall be preferred.

(6) Divisions shall:
(i) give consideration to the need for value analysis comparisons of options or choices,
(ii) if required, ensure that adequate value analysis comparisons are conducted to provide assurance that the specification will provide best value, and
(iii) forward the value analysis to Procurement for documentation in the procurement file.

(7) The Manager, Procurement and Operations in conjunction with the Division shall issue bid documents for goods and services. The Procurement and Operations Department shall give notice of the purchasing procurement documents electronically via the Internet as well as any other means as appropriate.

(8) These Protocols or any provision of it may be amended by the Senior Leadership Team from time to time as long as, any change(s) is operational in nature and does not significantly alter the intention or goal of the Protocol.

2.3 The Accessibility for Ontarians with Disabilities Act (AODA)

In deciding to purchase goods or services through the procurement process for the use of itself, its employees or the public, the Health Unit, to the extent possible, shall have regard to the accessibility for persons with disabilities to the goods or services.

2.4 Living Wage Considerations

As a living wage employer, competitive procurement processes will include provisions that require the Contractor to pay all employees who are employed by the Contractor to perform services at Middlesex-London Health Unit not less than the Living Wage, as set by Living Wage London. Living wage considerations are only included in procurement activities where contractual services are rendered at the Middlesex London Health Unit on an ongoing basis. Example of these include: janitorial services and security. Please refer to livingwagelondon.ca for additional details.

2.5 Environmental Considerations

In order to contribute to waste reduction and to increase the development and awareness of environmentally sound purchasing, acquisitions of goods and services will ensure that, wherever possible, specifications are amended to provide for expanded use of durable products, reusable products and products (including those used in services) that contain the maximum level of post-consumer waste and/or recyclable content, without significantly affecting the intended use of the product or service. It is recognized that cost analysis is required in order to ensure that the products are made available at competitive prices.

2.6 Summary of Procurement Process

2.6.1 Chart 1 – Procurement Goals

Goal	Description
1. Effective	The extent to which the procurement process is achieving its intend results. The desired outcomes are substantive or quality results as opposed to process results.
2. Objective	The procurement of goods and services made in an unbiased way and not influenced by personal preferences, prejudice or interpretations.
3. Fair	Applying the policies equally to all bidders.
4. Open and Transparent	Is the clarity and disclosure about the process for arriving at procurement decisions. While promoting openness and transparency, the Procurement Protocol should be governed by the legal considerations for confidentiality and the protection of privacy.
5. Accountable	Is the obligation to answer for procurement results and for the way that procurement responsibilities are delegated.
6. Efficient	Measures the quality, cost and amount of goods and services procured as compared to the time, money and effort to procure them.

2.6.2

Chart 2 Summary of Procurement Processes

Purchasing Option	Description	When to use this option	How to use this option	How to choose the appropriate vendor using this option	Who awards/ Comments
Formal Request for Proposals *Relates to Sections 4.1.3 & 4.1.4 of the Procurement Protocol*	Vendors are asked to submit a description of how they would address a problem or need along with the costs associated with their solution.	There is a complex problem or need for which there is no clear single solution; and The anticipated cost is equal to or greater than $100,000.	Procurement must be involved; Specific written information must be provided to Procurement by the Division to initiate; Bids are solicited through an open process that includes public advertisements.	A Selection Committee evaluates each bid; A numeric evaluation tool is developed to assess the quality of the bid; Cost will always be a factor The bid with the best score and meets the minimum requirements is awarded the contract	The MOH / CEO is informed when the lowest bid is not being recommended. Board of Health authorizes the awarding of the contract.
Informal Request for Proposals *Relates to Sections 4.1.2 & 4.1.4 of the Procurement Protocol*	Vendors are asked to submit a description of how they would address a problem or need along with the costs associated with their solution.	There is a complex problem or need for which there is no clear single solution; and The anticipated cost is less than $100,000.	Procurement must be involved; Specific written information must be provided to Procurement by the Division to initiate. Bids are solicited on an invitational basis from a pre-determined bidder list but must be Bids should be posted on a website to provide a single point of access, free of charge.	A Selection Committee evaluates each bid; A numeric evaluation tool is developed to assess the quality of the bid; Cost will always be a factor. The bid with the best score and meets the minimum requirements is awarded the contract	The MOH / CEO awards the contract.

Purchasing Option	Description	When to use this option	How to use this option	How to choose the appropriate vendor using this option	Who awards/ Comments
Request for Tender *Relates to Section 4.2 of the Procurement Protocol*	Vendors are asked to submit a cost for the work that is specified through a competitive bid process	A clear or single solution exists; and The anticipated costs is equal to or greater than $100,000	Procurement must be involved; Specific written information must be provided to Procurement by the Division to initiate; Bids should be posted on a website to provide a single point of access, free of charge.	A public opening is required with specific people in attendance; Procurement integrates all the bids and recommends vendor with the lowest bid who meets requirements, subject to review by Division Director.	Board of Health awards the contract.
Formal Request for Quotations *Relates to Section 4.3.3.2 of the Procurement Protocol*	Vendors are asked to submit a cost for the work that is specified through an invitational process from pre-determined bidders	A clear or single solution exists; and The anticipated cost is between $50,000 and less than $100,000.	Procurement must be involved; Specific written information must be provided to Procurement by the Division to initiate; Bids are solicited on an invitational basis from a pre-determined bidder list but must be posted on a website to provide a single point of access, free of charge.	Divisions review the bids; Procurement integrates all the bids and recommends vendor with the lowest bid who meets requirements, subject to review by Division Director.	The MOH / CEO awards the contract.

Purchasing Option	Description	When to use this option	How to use this option	How to choose the appropriate vendor using this option	Who awards/ Comments
Informal Request for Quotations *Relates to Section 4.3.3.1 of the Procurement Protocol*	Vendors are asked to submit a cost for the work that is specified through an invitational process from pre-determined bidders	A clear or single solution exists; and The anticipated cost is between $10,000 and less than $50,000	Involvement of Procurement is not required but available; Bids are solicited on an invitational basis from a pre-determined bidder list but may be posted on a website to provide a single point of access, free of charge. A minimum of 3 bids should be obtained although more are encouraged.	Division chooses the appropriate vendor based on the vendor who meets the specifications at the lowest cost.	The MOH / CEO awards the contract.
Informal, low value procurement *Relates to Section 4.4 of the Procurement Protocol*	Quotes are obtained via phone (and confirmed in writing), fax, email, or similar communication methods or vendor advertisements or catalogues	A clear or single solution exists; and The anticipated cost is between $5,000 and less than $10,000.	Involvement of Procurement is not required but available; A minimum of 3 bids are sought and more cost effective methods may be used such as quotes received by electronic submission, hardcopy, verbal (and confirmed in writing).	Division chooses the appropriate vendor based on the vendor who meets the specifications at the lowest cost.	The Division Director awards the contract. The MOH / CEO is informed, prior to awarding the contract, if the lowest quote is not being accepted.

Purchasing Option	Description	When to use this option	How to use this option	How to choose the appropriate vendor using this option	Who awards/ Comments
Non-competitive purchases *Relates to Sections 3.0 and 5.11 of the Procurement Protocol*	No bids or quotes are required for purchase but informal bids are encouraged.	The anticipated cost is less than $5,000;		Not applicable	Purchases under $5,000 a Board report is not required. Award is made based on signing authority governed in Policy G-200
		Greater than $5,000 and only a single vendor exists; or During an emergency; or The vendor has particular expertise. See Protocols for further indications.	The requirement for competitive bid solicitation may be waived under joint authority of the Director and MOH / CEO. Director, Healthy Organization or designate manages the process/negotiations.	Not applicable	A written report will be submitted to the Board of Health The Board of Health awards contracts greater than $50,000 unless it is an emergency under section 3.3 of the Procurement Protocols; The MOH / CEO awards contracts for values of greater than $5,000 but less than $50,000

3.0 NON-COMPETITIVE PURCHASES

3.1 Goals

The primary goals of a non-competitive purchase are to allow for procurement in an efficient and timely manner.

3.2 Requirements

(1) The requirement for competitive bid solicitation for goods, services and construction may be waived if the item is less than $5,000.

(2) Alternatively, under joint authority of the appropriate Director and the MOH / CEO, the requirement for competitive bid solicitation for goods, services and construction may be replaced with negotiations by the Director, Healthy Organization, or designate under the following circumstances:

(i) where competition is precluded due to the application of any Act or legislation or because of the existence of patent rights, copyrights, technical secrets or controls of raw material;
(ii) where due to abnormal market condition, the goods, services or construction required are in short supply;
(iii) where only one source of supply would be acceptable and cost effective;
(iv) where there is an absence of competition for technical or other reasons and the goods, services or construction can only be supplied by a particular supplier and no alternative exists;
(v) where the nature of the requirement is such that it would not be in the public interest to solicit competitive bids as in the case of security or confidentiality matters;
(vi) where in the event of an *"Emergency"* as defined by these Protocols, a requirement exists; or
(vii) where the requirement is for a utility for which there exists a monopoly.

(3) When a Director/Manager intends to select a supplier to provide goods, services or construction pursuant to subsection 3.2(2), a written report indicating the compelling rationale that warrants a non-competitive selection will be submitted by the Division to the Board of Health.

(4) For contracts between $5,000 and $49,999, the MOH / CEO awards the contract.

(5) For contracts of $50,000 and over the Board of Health approves the contract, unless section 3.3 applies.

3.3 Procurement in Emergencies

(1) In subsection 3.2(1)(vi) "Emergency" includes

(i) an imminent or actual danger to the life, health or safety of a member of the Board of Health, volunteer or an employee while acting on the Health Unit's behalf;
(ii) an imminent or actual danger of injury to or destruction of real or personal property belonging to the Board of Health;
(iii) an unexpected interruption of an essential public service;
(iv) an emergency as defined by the Emergency Plans Act, R.S.O. 1990, Chapter E.9 and the emergency plan formulated thereunder by the Health Unit;

(v) a spill of a pollutant as contemplated by Part X of the Environmental Protection Act, R.S.O. 1990, Chapter E.19; and
(vi) mandate of a non-compliance order.

(2) Where, in the opinion of the MOH / CEO or in their absence the Associate Medical Officer of Health, an emergency has occurred,

(i) the Director, Healthy Organization, or designate on receipt of a requisition authorized by a Director and the MOH / CEO or designate may initiate a purchase order in excess of the pre-authorized expenditure limit; and
(ii) any purchase order issued under such conditions together with a source of financing shall be justified and reported to the next meeting of the Board of Health following the date of the requisition.

3.4 Direct Negotiations

(1) Unless otherwise provided in accordance with the Procurement Protocols, goods and services may be purchased using the Direct Negotiation method only if one or more of the following conditions apply:

(i) the required goods and services are reasonably available from only one source by reason of the scarcity of supply in the market or the existence of exclusive rights held by any supplier or the need for compatibility with goods and services previously acquired and there are no reasonable alternatives or substitutes.
(ii) the required goods and services will be additional to similar goods and services being supplied under an existing contract;
(iii) an attempt to purchase the required goods and services has been made in good faith using a method other than Direct Negotiation under section 4.0 of these Protocols which has failed to identify a successful supplier and it is not reasonable or desirable that a further attempt to purchase the goods and services be made using a method other than Direct Negotiation.
(iv) the goods and services are required as a result of an emergency, which would not reasonably permit the use of a method other than Direct Negotiation.
(v) the required goods and services are to be supplied by a particular vendor or supplier having special knowledge, skills, expertise or experience.

4.0 COMPETITIVE PROCESSES

4.1 Request For Proposal

4.1.1 Goals

To implement an effective, objective, fair, open, transparent, accountable, and efficient process for obtaining unique proposals designed to meet broad outcomes to a complex problem or need for which there is no clear or single solution.

4.1.2 Informal Process Requirements

(1) The Informal Request for Proposal procedure shall be used where:

(i) the item is less than $100,000;
(ii) the requirement is best described in a general performance specification;

(iii) innovative solutions are sought; and
(iv) To achieve best value, the award selection will be made on an evaluated point per item or other method involving a combination of mandatory and desirable requirements.
(v) Bids are solicited on an invitational basis from a pre-determined bidder list but must be posted on a website to provide a single point of access, free of charge.
(vi) The MOH / CEO awards the contract.
(vii) A report to the Board of Health is required if the lowest bid is not accepted.

4.1.3 Formal Process Requirements

(1) A Formal Request for Proposal procedure shall be used where:

(i) the item is greater than $100,000;
(ii) the requirement is best described in a general performance specification;
(iii) innovative solutions are sought; and
(iv) to achieve best value, the award selection will be made on an evaluated point per item or other method involving a combination of mandatory and desirable requirements.

(2) Bids are solicited through an open process that includes public notice.

(3) The MOH / CEO is informed when the lowest bid is not being recommended.

(4) The Board of Health authorizes the award of the contract.

4.1.4 General Process

(1) The Request for Proposal method of purchase is a competitive method of purchase that may or may not include Vendor pre-qualification.

(2) A Request for Information or Request for Expression of Interest may be issued in advance of a proposal to assist in the development of a more definitive set of terms and conditions, scope of work/service and the selection of qualified Vendors.

(3) Where the requirement is not straightforward or an excessive workload would be required to evaluate proposals, either due to their complexity, length, number or any combination thereof, a procedure may be used that would include a pre-qualification phase.

(4) Procurement shall maintain a list of suggested evaluation criteria for assistance in formulating an evaluation scheme using a Request for Proposal. This may include factors such as qualifications and experience, strategy, approach, methodology, scheduling and past performance, facilities, equipment, and pricing.

(5) Divisions shall identify appropriate criteria from the list maintained by Procurement for use in a Request for Proposal but are not limited to criteria from the list. Cost will always be included as a factor, as best value includes both quality and cost.

(6) The Division shall provide to the Director, Healthy Organization, or designate with a purchase request in writing containing the budget authorization, approval authority, terms of reference and evaluation criteria to be applied in assessing the proposals submitted.

(7) A Selection Committee, comprised of a minimum of one representative from the Division and the Director, Healthy Organization, or designate or designate, shall review all proposals against the established criteria, reach consensus on the final rating results, and

ensure that the final rating results, with supporting documents, are kept in the procurement file.

(8) During the proposal process all communication with bidders shall be through Procurement.

(9) The Director, Healthy Organization, or designate shall forward to the Director(s) an evaluation summary of the procurement, as well as the Committee's recommendation for award of contract to the supplier meeting all mandatory requirements and providing best value as stipulated in the Request for Proposal. Where the lowest bid is not accepted, the Director is responsible for documenting the determination of best value, in a confidential report to the MOH / CEO prior to award of contract.

(10) With respect to all Board reports initiated for requests for proposals, the report shall include the sources of financing, summary of major expenditure categories, and other financial commentary as considered appropriate.

(11) Reporting will not include summaries of bids as this information will remain confidential. Any disclosure of information shall be made by the appropriate officer in accordance with the provisions of the Municipal Freedom of Information and Protection of Privacy Act, R.S.O. 1990.

(12) Unsuccessful proponents may, upon their request, attend a debriefing session with Procurement to review their bid submission. Discussions relating to any bid submissions other than that of the proponent present will be strictly prohibited.

(13) The Health Unit reserves the right to accept or reject any submission.

4.2 Request For Tender

4.2.1 Goals

To implement an effective, objective, fair, open, transparent, accountable and efficient process for obtaining competitive bids based on precisely defined requirements for which a clear or single solution exists.

4.2.2 Requirements

Request for Tender procedures shall be used where:

(i) the item is greater than $100,000;
(ii) the requirement can be fully defined; and
(iii) best value for the Board of Health can be achieved by an award selection made on the basis of the lowest bid that meets specifications.

4.2.3 General Process

(1) The Director or designate shall provide to the Director, Healthy Organization, or designate a purchase request in writing containing the relevant specifications, budget authorization, approval authority and terms and conditions for the purchase of goods, services or construction.

(2) The Director, Healthy Organization, or designate shall be responsible for posting the bid on an external website for the procurement opportunity.

(3) The Director, Healthy Organization, or designate shall be responsible for arranging for the public opening of tender bids at the time and date specified by the tender call. There shall be in attendance at that time,

(i) Director, Healthy Organization, or designate and
(ii) At least one representative from the requesting Division(s)
(iii) If the Director, Healthy Organization, or designate is not available, the MOH / CEO or the MOH / CEO designate may act on their behalf.
(iv) The chair of the Board of Health shall be invited

(4) Procurement shall forward to the Director a summary of the bids and recommend the award of contract to the lowest responsive bidder, subject to review by the Director or designate regarding specifications and contractor performance.

(5) With respect to all Board reports initiated for tenders, the report shall include the sources of financing, summary of major expenditure categories, and other financial commentary as considered appropriate. The Board will approve such contracts.

(6) The Health Unit reserves the right to accept or reject any submission.

4.3 Request For Quotation

4.3.1 Goals

To implement an effective, objective, fair, open, transparent, accountable and efficient process for obtaining competitive bids based on precisely defined requirements for which a clear or single solution exists.

4.3.2 Requirements

(1) Request for Quotation procedures shall be used where:

(i) the item is greater than $10,000 but not greater than $100,000;
(ii) the requirement can be fully defined; and
(iii) best value for the Health Unit can be achieved by an award selection made on the basis of the lowest bid that meets specifications.

(2) Competitive bid solicitation is done primarily on an invitational basis from a pre-determined bidders list but may be supplemented with posting the bid on a website to provide a single point of access,free of charge.

4.3.3 General Process

4.3.3.1 Informal Quotation Process (Greater than $10,000 but no greater than $50,000)

(1) These protocols are provided to assist a Division should it exercise its authority to purchase goods or services between $10,000 and $50,000 without the involvement of the Procurement and Operations Department. Protocols are organized by objective as follows:

(i) OBJECTIVE 1: Efficiency

Purchases must be for unique Division requirements, and therefore not duplicated in other Divisions, such that Health unit purchasing power or standardization is not a factor in costing. Requirements cannot be split in order to qualify for this process.

(ii) OBJECTIVE 2: Competitive Process

A competitive process is undertaken whereby a minimum of 3 bids is obtained, and the lowest compliant bid is awarded the contract. Care must be taken as to how bids are sought, bidders lists are maintained and how competition is encouraged. Although a minimum of 3 bids is required, an open process without a minimum number of bids will be more competitive, and is encouraged.

(iii) OBJECTIVE 3: Open process

Division needs are communicated to bidders, who are able to bid on goods or services they are qualified to provide. There should be no limitation of bids to an established listing. Divisions should check with the Procurement and Operations Department to determine if there is an established list of potential relevant service providers that they may have for this purpose. An allowable exception to this, would be where in a formal process a short list was determined as a result of another competitive process (such as RFP), which has a pre-qualifying process to determine a short list.

(iv) OBJECTIVE 4: Transparent process

The process is undertaken based on clear definition of the product or service requirement, and a clear outline of the review and criteria to be undertaken. The decision to choose the low bidder will be based solely on the requirements as documented, the bidder document, and the application of the review criteria. The same decision should be arrived at each time given the same set of facts.

(v) OBJECTIVE 5: Fair process

The process will be fair, such that no action is undertaken by Health Unit staff to allow any given bidder an unfair advantage. This does not however, require Health Unit action to ensure that existing conditions are changed to ensure that any conversion costs from an incumbent to another supplier are ignored in an evaluation – it is in the best interest of the Health Unit to ensure that such "leveling of the playing field" is not required.

(vi) OBJECTIVE 6: Insurance and Risk Management

The Health Unit's standard Insurance form (if required) must be completed and forwarded to the Director, Healthy Organization, or designate for review and input into the Insurance Program. WSIB certificates of clearance (if required) must also be submitted to the Director, Healthy Organization, or designate at the commencement of the project and periodically as the work is completed.

(2) The MOH / CEO awards the contract.

4.3.3.2 Formal Quotation Process ($50,000 to $99,999)

(1) The Director or designate shall provide to the Director, Healthy Organization, or designate a purchase request in writing containing the relevant specifications, budget authorization, approval authority and terms and conditions for the purchase of goods, services or construction.

(2) The Division shall be responsible to review the quote submission and verify that all specifications of the quote are met.

(3) Procurement shall forward to the Director a summary of the bids and recommend the award of contract to the lowest responsive quote subject to review by the Director or designate regarding specifications and contractor performance.

(4) The MOH /CEO awards the contract.

(6) The Health Unit reserves the right to accept or reject any submission.

4.4 Informal, Low Value Procurement

4.4.1 Goals

To obtain competitive pricing for a one-time procurement in an expeditious and cost effective manner through phone, fax, e-mail, other similar communication method, vendor advertisements or vendor catalogues.

4.4.2 Requirements

(i) the item is greater than $5,000 but not greater than $10,000;
(ii) the requirement can be fully defined; and
(iii) best value for the Health Unit can be achieved by an award selection made on the basis of the lowest bid that meets specifications.

4.4.3 General Process

(1) A minimum of 3 bids must be received. They may be obtained in a more cost-effective manner such as phone, fax, e-mail and current vendor advertisements or catalogues.

(2) The Division shall be responsible to ensure that all specifications are met.

(3) The Division Director may award the contract.

(4) The Division Director shall forward to the Director, Healthy Organization, or designate all relevant procurement documentation including bid summaries to be included in the procurement file.

(5) The MOH / CEO will be informed, prior to awarding a contract, if the lowest bid/quote is not being accepted.

(6) The Health Unit has the right to cease negotiations and reject any offer.

5.0 BID AND CONTRACT ADMINISTRATION

5.1 Bid Submission

(1) Bids shall be delivered in paper form (if required) to the Director, Healthy Organization, or designate at the time and date specified in the bid solicitation.

(2) The opening of bids shall commence shortly after the time specified by the tender call unless the Director, Healthy Organization, or designate acting reasonably postpones the start to some later hour, but the opening shall continue, once started, until the last bid is opened.

(3) Any bids received by the Director, Healthy Organization, or designate later than the specified closing time shall be returned unopened to the bidder.

(4) A bidder who has already submitted a bid may submit a further bid at any time up to the official closing time and date specified by the bid solicitation. The last bid received shall supersede and invalidate all bids previously submitted by that bidder.

(5) A bidder may withdraw their bid at any time up to official closing time by letter bearing their signature as in his or her bid submitted to the Director, Healthy Organization, or designate or designate.

(6) A tender requiring an appropriate bid deposit shall be void if such security is not received in the manner specified in section 5.5 and if no other bid is valid, the Director, Healthy Organization, or designate shall direct what action is to be taken with respect to the recalling of tenders.

(7) All bidders may be requested to supply a list of all subcontractors to be employed on a project. Any changes to the list of subcontractors or addition thereto must be approved by the Director responsible for the project.

5.2 Lack of Acceptable Responses to Requests

(1) Where bids are received in response to a bid solicitation but exceed budget, are not responsive to the requirement, or do not represent fair market value, a revised solicitation shall be issued in an effort to obtain an acceptable bid.

(2) In the case of building construction contracts, where the total cost of the lowest responsive bid is in excess of the budget approved by the Board of Health, negotiations shall be made in accordance with the protocols established by the Canadian Construction Documents Committee.

(3) The Health Unit has the right to cease negotiations and reject any offer.

5.3 Equal Bids

(1) If two or more bids are equal and are the lowest bid, the Health Unit will offer an opportunity for the tied bidders to re-bid. Should a tie persist the following factors will be considered:

(i) prompt payment discount,
(ii) when delivery is an important factor, the bidder offering the best delivery date be given preference,

(iii) a bidder in a position to offer better after sales service, with a good record in this regard shall be given preference,
(iv) a bidder with an overall satisfactory performance record shall be given preference over a bidder known to have an unsatisfactory performance record or no previous experience with the Health Unit,
(v) if (i) through (iv) do not break the tie equal bidders shall draw straws.

5.4 Insufficient Responses to Requests

(1) In the event only one bid is received in response to a request for tender, the Director, Healthy Organization, or designate may return the unopened bid to the bidder when, in his/her opinion, additional bids could be secured. In returning the unopened bid the Director, Healthy Organization, or designate shall inform the bidder that the Health Unit may be recalling the tender at a later date.

(2) In the event that only one bid is received in response to a request for tender, the bid may be opened in accordance with the Health Unit's usual procedures when, in the opinion of the Director, Healthy Organization, or designate with consultation with appropriate Director, the bid should be considered by the Health Unit. If, after evaluation the bid is found not to be acceptable, they may follow the procedures set out in Subsection 5.2

(3) In the event that the bid received is found acceptable, it will be awarded as an Irregular result under Appendix "A" of the Purchasing Protocols.

5.5 Guarantees of Contract Execution and Performance

(1) The Director, Healthy Organization, or designate may require that a bid be accompanied by a Bid Deposit to guarantee entry into a contract.

(2) In addition to the security referred to in Subsection 5.5 (1), the successful supplier may be required to provide,

(i) a Performance Bond to guarantee the faithful performance of the contract,
(ii) a Labour & Material Bond to guarantee the payment for labour and materials to be supplied in connection with the contract and,
(iii) an irrevocable letter of credit.

(3) The Director, Healthy Organization, or designate shall select the appropriate means to guarantee execution and performance of the contract. Means may include one or more of, but are not limited to, financial bonds or other forms of security deposits, provisions for liquidated damages, progress payments, and holdbacks.

(4) When a bid deposit is required the Director, Healthy Organization, or designate shall determine the amount of the bid deposit which may be 10 per cent of the estimated value of the work prior to bidding or an amount equal to 10 per cent of the bid submitted.

(5) Prior to commencement of work and where deemed appropriate, evidence of Insurance Coverage satisfactory to the Health Unit's Insurer must be obtained, ensuring indemnification of the Health Unit from any and all claims, demands, losses, costs or damages resulting from the performance of a supplier's obligations under the contract.

(6) When a performance bond or labour and material bond is required, the amount of the bond shall be 50% of the amount of the tender bid, unless the Director, Healthy Organization, or designate recommends and the Board of Health approves a higher level of bonding.

(7) If the risk to the Health Unit is not adequately limited by the progress payment provisions of the contract, a payment holdback shall be considered.

(8) A minimum payment holdback of 10 percent is mandatory for all construction contracts.

(9) The Director, Healthy Organization, or designate may release the holdback funds on construction contracts upon:

(i) the contractor submitting a statutory declaration that all accounts have been paid and that all documents have been received for all damage claims,
(ii) receipt of clearance from the Workplace Safety and Insurance Board for any arrears of Workplace Safety and Insurance Board assessment,
(iii) all the requirements of the Construction Lien Act, R.S.O. 1990, being satisfied,
(iv) receipt of certification from the Health Unit Solicitor, where applicable, that liens have not been registered, and
(v) substantial performance

(10) The conditions for release of holdback funds provided in Subsection 5.5 (9) apply to other goods or services contracts with necessary modifications.

(11) The Health Unit is authorized to cash and deposit any bid deposit cheques in the Health Unit's possession which are forfeited as a result of non-compliance with the terms, conditions and/or specifications of a sealed bid.

5.6 Requirement at Time of Execution

(1) The successful bidder, if requested in the tender document shall submit the following documentation in a form satisfactory to the Health Unit within ten working days after being notified in writing to do so by the Health Unit:

(i) executed performance bonds and labour and material bonds;
(ii) executed agreement;
(iii) insurance documents in compliance with the tender documents;
(iv) declarations respecting the Workplace Safety and Insurance Board;
(v) certificate of clearance from the Workplace Safety and Insurance Board; and
(vi) any other documentation requested to facilitate the execution of the contract (e.g. proof of required licenses and/or certificates).

5.7 Contractual Agreement

(1) The award of contract may be made by way of a formal agreement, or Purchase Order.

(2) A Purchase Order is to be used when the resulting contract is straightforward and will contain the Health Unit's standard terms and conditions.

(3) A formal agreement is to be used when the resulting contract is complex and will contain terms and conditions other than the Health Unit's standard terms and conditions.

(4) It shall be the responsibility of the Director or designate with the Director, Healthy Organization, or designate and/or the Health Unit's Solicitor to determine if it is in the best interest of the Health Unit to establish a formal agreement with the supplier.

(5) Where it is determined that Subsection 5.7 (4) is to apply, the formal agreement should be made in accordance to Health Unit Policy 4-90, Contractual Services.

(6) Where a formal agreement is issued, Procurement may issue a Purchase Order incorporating the formal agreement.

(7) Where a formal agreement is not required, Procurement shall issue a Purchase Order incorporating the terms and conditions relevant to the award of contract.

5.8 Contract Amendments and Revisions

(1) No amendment or revision to a contract shall be made unless the amendment is in the best interest of the Health Unit.

(2) No amendment that changes the price of a contract shall be agreed to without a corresponding change in requirement or scope of work.

(3) Amendments to contracts are subject to the identification and availability of sufficient funds within the Board of Health approved operating budget.

(4) Health Unit staff may authorize amendments to contracts provided that their signing authority level, as outlined in Health Unit policies 4-90, 4-110, has not been exceeded. For clarity, the required authority level is the total of the original contract price plus any amendments.

(5) Where expenditures for the proposed amendment combined with the price of the original contract exceeds Board of Health approved budget for the project, a report prepared by the Director shall be submitted to the Board of Health recommending the amendment, and proposing the source of financing.

5.9 Contract Review/Renewal

(1) Where a contract contains an option for renewal, the Director may authorize the Director, Healthy Organization, or designate to exercise such option provided that all of the following apply:

(i) the supplier's performance in supplying the goods, services or construction is considered to have met the requirements of the contract,
(ii) the Director and Director, Healthy Organization, or designate agree that the exercise of the option is in the best interest of the Health Unit,

(iii) funds are available in the Board of Health approved operating budget to meet the proposed expenditure.

(iv) a valid business case has been completed.

(2) The business case shall be authorized by the Director and shall include a written explanation as to why the renewal is in the best interest of the Health Unit and include commentary on the market situation and trend.

5.10 Exclusion of Vendors from Competitive Process

5.10.1 Exclusion of Bidders in Litigation

(1) The Health Unit may, in its absolute discretion, reject a Tender or Proposal submitted by the bidder if the bidder, or any officer or director of the bidder is or has been engaged, either directly or indirectly through another corporation, in a legal action against the Health Unit, its elected or appointed officers and employees in relation to:

(i) Any other contract or services; or
(ii) Any matter arising from the Health Unit's exercise of its powers, duties, or functions.

(2) In determining whether or not to reject a quotation, tender or proposal under this clause, the Health Unit will consider whether the litigation is likely to affect the bidder's ability to work with the Health Unit, its consultants and representatives, and whether the Health Unit's experience with the bidder indicates that the Health Unit is likely to incur increased staff and legal costs in the administration of the contract if it is awarded to the bidder.

5.10.2 Exclusion of Bidders Due to Poor Performance

(1) The Director shall document evidence and advise the Director, Healthy Organization, or designate in writing where the performance of a supplier has been unsatisfactory in terms of failure to meet contract specifications, terms and conditions or for Health and Safety violations.

(2) The Health Unit may, in consultation with its Solicitor, prohibit an unsatisfactory supplier from bidding on future Contracts for a period of up to three years.

5.11 Single/Sole Source

(1) The procurement of materials, parts, supplies, equipment or services without competition (See also Section 3.0), is done under exceptional and limited circumstances.

(2) In circumstances where there may be more than one source of supply in the open market, but only one of these is recommended for consideration on the grounds that it is more cost effective or beneficial to the Health Unit approval must be obtained from the Medical Officer of Health & Chief Executive Officer, and the Director, Healthy Organization, or designate prior to negotiations with the single source.

(3) In the event 5.4 (2) applies and the expenditure will exceed $50,000, approval must be obtained from the Board of Health prior to negotiations with the single source. The Director or designate shall be responsible for submitting a report detailing the rationale supporting the use if the single source.

(4) If the Health Unit requires goods, services or equipment deemed to be available from only one source of supply, and where the expenditure will exceed $50,000, the Director or designate with the concurrence of the Medical Officer of Health & Chief Executive Officer, and the Procurement & Operations Manager shall obtain approval from the Board of Health to waive the competitive procurement process.

5.12 Blanket Purchases

(1) A Request for a Blanket Purchase Contract may be used where:

(i) one or more Division repetitively order the same goods or services and the actual demand is not known in advance, or
(ii) a need is anticipated for a range of goods and services for a specific purpose, but the actual demand is not known at the outset, and delivery is to be made when a requirement arises.

(2) Procurement shall establish and maintain Blanket Purchase Contracts that define source and price with selected suppliers for all frequently used goods or services.

(3) To establish prices and select sources, Procurement shall employ the provisions contained in these Protocols for the acquisition of goods, services and construction.

(5) More than one supplier may be selected where it is in the best interests of the Health Unit and the bid solicitation allows for more than one.

(5) Where purchasing frequently used good or services is initiated by a Division, it is to be made with the supplier or suppliers listed in the Blanket Purchase Contract.

(6) In a Request for Blanket Purchase Contract, the expected quantity of the specified goods or services to be purchased over the time period of the agreement will be as accurate an estimate as practical and be based, to the extent possible, on previous usage adjusted for any known factors that may change usage.

5.13 Custody of Documents

(1) The Director, Healthy Organization, or designate shall be responsible for the safeguarding of original purchasing and contract documentation for the contracting of goods, services or construction and will retain documentation in accordance to the records retention policy.

5.14 Co-operative Purchasing

(1) The Health Unit shall participate with other government agencies or public authorities in Co-operative Purchasing where it is in the best interests of the Health Unit to do so.

(2) The decision to participate in Co-operative Purchasing agreements will be made by the Director, Healthy Organization , or designate.

(3) The policies of the government agencies or public authorities calling the cooperative tender are to be the accepted policy for that particular tender.

5.15 Receipt of Goods

(1) The Director or designate shall,

(i) arrange for the prompt inspection of goods on receipt to confirm conformance with the terms of the contract, and
(ii) inform the Director, Healthy Organization, or designate of discrepancies immediately.

(2) The Director, Healthy Organization, or designate shall coordinate an appropriate course of action with the Director for any non-performance or discrepancies.

5.16 Receipt of Services

(1) The Director or designate shall:

(i) ensure the performance of the services is maintained in a satisfactory manner and in keeping with the terms of the contract and/or agreement.
(ii) Division staff are to document any discrepancies in the performance of services.
(iii) Inform the Director, Healthy Organization, or designate of poor performance
(iv) Inform the Director, Healthy Organization, or designate of any breach of contract and/or agreement.

5.17 Reporting to Board of Health

(1) The Director, Healthy Organization, or designate shall submit to the Board of Health an information report each Board of Health meeting containing the details for all contracts awarded that exceed $50,000 including amendments and renewals. The report shall certify that the awards are in compliance with the Purchasing Protocols.

(2) The Director, Healthy Organization, or designate shall submit annually to the Board of Health an information report containing a list of suppliers for which the Health Unit has been invoiced a cumulative total value of $100,000 or more in a calendar year. The list shall include total payments.

5.18 Direct Solicitation of Divisions

(1) Unsolicited Proposals received by the Health Unit shall be reviewed by Director, Healthy Organization, or designate.

(2) Any procurement activity resulting from the receipt of an Unsolicited Proposal shall comply with the provisions of the Procurement Protocols.

(3) A contract resulting from an Unsolicited Proposal shall be awarded on a noncompetitive basis only when the procurement complies with the requirements of a non-competitive procurement found in section 3.0 above.

5.19 Lobby

(1) The Health Unit is committed to the highest standard of integrity with respect to the procurement process. Any activity designed to influence the decision process, including but not limited to, contacting board members, consultants and employees for such purposes as meetings of introduction, social events or meals shall result in disqualification of the bidder. The Health Unit will be entitled to reject a bid submission if any representative or bidder, including any parties that may be involved in a joint venture, consortium, subcontractor or supplier relationship, makes any representation or solicitation to any Board of Health member or employee.

5.20 Local Preference

(1) In accordance with the Discriminatory Business Practices Act as amended, there shall be no local preference given to any bidder when awarding a bid.

5.21 Interference in Procurement Process

(1) Board members and employees shall not cause or permit anything to be done or communicated to anyone in a manner which is likely to cause any potential bidder to have an unfair advantage or disadvantage in obtaining a contract for goods and services.

(2) Board members shall separate themselves from the procurement process and have no involvement whatsoever in specific procurements. Board members should not see any documents or receive any information related to a particular procurement while the process is ongoing. Board members who receive inquiries from bidders related to a specific procurement shall immediately direct those inquiries to the Director of Healthy Organization.

5.22 Resolution of Questions of Protocol

(1) Any question involving the meaning or application of these Protocols is to be submitted to the Director, Healthy Organization, or designate who will resolve the question.

5.23 Access to Information

(1) The disclosure of information received relevant to the issue of bid solicitations or the award of contracts resulting from bid solicitations shall be made by the appropriate officers in accordance with the provisions of the Municipal Freedom of Information and Protection of Privacy Act, R.S.O. 1990, as amended.

(2) All records and information pertaining to tenders, proposals and other sealed bids, which reveal a trade secret or scientific, technical, commercial, financial or other labour relations information, supplied in confidence implicitly or explicitly, shall remain confidential if the disclosure could reasonably be expected to:

(i) prejudice significantly the competitive position or interfere significantly with the contractual or other negotiations of a person, group of persons, or organizations;
(ii) result in similar information no longer being supplied to the Health Unit where it is in the public interest that similar information continue to be so supplied;
(iii) result in undue loss or gain to any person, group, committee or financial institution or agency; or
(iv) result in information whose disclosure could reasonably be expected to be injurious to the financial interests of the Health Unit.

5.24 Protocol Amendment

(1) These Protocols or any provision of it may be amended by the Senior Leadership Team from time to time as long as, any change(s) is operational in nature and does not significantly alter the intention or goal of the Protocols.

6.0 CAPITAL ASSET PURCHASES/IMPROVEMENTS AND DISPOSAL

(1) All construction, renovations or alterations to leased premises under $50,000 must be reviewed and approved by the Medical Officer of Health & Chief Executive Officer and the Director, Healthy Organization, or designate. Projects over $50,000 require the authorization of the Board of Health.

(2) All purchases of computer hardware (including peripheral equipment) and software will be administered by the Manager, Information Technology.

(3) All purchase of furniture will be administered by the Director, Healthy Organization, or designate.

(4) Procurement will be notified upon receipt of all purchases involving capital assets to ensure proper accounting and asset-tracking methods are applied.

(5) Procurement will maintain an inventory of all capital assets that is in accordance to the Public Service Accounting Board guidelines (PSAB) and Generally Accepted Accounting Principles (GAAP).

Disposal of Assets

(6) All Divisions shall notify the Director, Healthy Organization, or designate when items become obsolete or surplus to their requirements. The Director, Healthy Organization, or designate shall be responsible for ascertaining if the items can be of use to another Division rather than disposed of.

(7) Items that are not claimed for use by another Division may be sold. If there is no suitable market, then the item could be considered for donation.

7.0 EXCLUDED GOODS AND SERVICES

The following purchases of goods and services are excluded from the Procurement Protocols:

(1) Purchases under the Petty Cash policy

(2) Training and Education including:
- (i) Conferences
- (ii) Courses
- (iii) Conventions
- (iv) Subscriptions
- (v) Memberships
- (vi) Association fees
- (vii) Periodicals
- (viii) Seminars
- (ix) Staff development and training including all related equipment, resources, and supplies
- (x) Staff workshops including all related equipment, resources, and supplies

(3) Refundable Employee Expenses including:
- (i) Cash advances
- (ii) Meal allowance
- (iii) Travel expenses
- (iv) Accommodation

(4) Employer's General Expenses including:
- (i) Payroll deductions remittances
- (ii) Medicals
- (iii) Insurance premiums
- (iv) Tax remittances

(5) Licenses, certificates, and other approvals required.

(6) Ongoing maintenance for existing computer hardware and software.

(7) Professional and skilled services to clients as part of Health Unit programs including but not limited to medical services (Clinics), counseling services, Speech and Language services and child care.

(8) Other Professional and Special Services up to $100,000 including:

- (i) Additional non-recurring Accounting and Auditing Services
- (ii) Legal Services
- (iii) Auditing Services
- (iv) Banking Services
- (v) Group Benefits (including Employee Assistance Program)
- (vi) General Liability Insurance
- (vii) Realty Services regarding the Lease, Acquisition, Demolition, Sale and Appraisal of Land.

8.0 REVIEWING AND EVALUATING EFFECTIVENESS

(1) The Health Unit's Auditor shall review and test compliance with the Procurement Protocols during its annual audit, and report any non-compliance to the MOH / CEO on a yearly basis.

(2) The Senior Leadership Team will review the Protocols annually to ensure the goals and objectives are being met.

9.0 APPENDICES

Appendix A

IRREGULARITIES CONTAINED IN BIDS

IRREGULARITY	RESPONSE
1. Late Bids	Automatic rejection, not read publicly and returned unopened to the bidder.
2. Unsealed Envelopes	Automatic rejection
3. Insufficient Financial Security (No bid deposit or insufficient bid deposit)	Automatic rejection
4. Failure to insert the name of the bonding company in the space provided for in the Form of Tender.	Automatic rejection
5. Failure to provide a letter of agreement to bond where required.	Automatic rejection
6. Incomplete, illegible or obscure bids or bids which contain additions not called for, erasures, alterations, errors or irregularities of any kind.	May be rejected as informal
7. Documents, in which all necessary Addenda have not been acknowledged.	Automatic rejection
8. Failure to attend **mandatory** site visit.	Automatic rejection
9. Bids received on documents other than those provided by the Health Unit.	Automatic rejection
10. Failure to insert the Tenderer's business name in one of the two spaces provided in the Form of Tender.	Automatic rejection
11. Failure to include signature of the person authorized to bind the Tenderer in the space provided in the Form of Tender.	Automatic rejection
12. Conditions placed by the Tenderer on the Total Contract Price.	Automatic rejection
13. Only one bid is received.	a) Bid returned unopened if additional bids could be secured. b) If the bid should be considered in the opinion of the Director, Healthy Organization , or

IRREGULARITY	RESPONSE
	designate, and is found acceptable, then it may be awarded.
14. Bids Containing Minor Mathematical Errors	a) If the amount tendered for a unit price item does not agree with the extension of the estimated quantity and the tendered unit price, or if the extension has not been made, the unit price shall govern and the total price shall be corrected accordingly b) If both the unit price and the total price are left blank, then both shall be considered as zero. c) If the unit price is left blank but a total price is shown for the item, the unit price shall be established by dividing the total price by the estimated quantity. d) If the total price is left blank for a lump sum item, it shall be considered as zero. e) If the Tender contains an error in addition and/or subtraction and/or transcription in the approved tender documentation format requested (i.e. not the additional supporting documentation supplied), the error shall be corrected and the corrected total contract price shall govern. f) Tenders containing prices which appear to be so unbalanced as to likely affect the interests of the Health Unit adversely may be rejected.

Appendix B

Summary of Types of Procurement with Goals

Competitive Process Seeking Multiple Bids or Proposals				Non-Competitive Procurement
Request for Proposal	**Request for Tender**	**Request for Quotation**	**Informal Low Value Procurement**	
To implement an effective, objective, fair, open, transparent, accountable and efficient process for obtaining unique proposals designed to meet broad outcomes to a complex problem or need for which there is no clear or single solution. To select the proposal that earns the highest score and meets the requirements specified in the competition, based on qualitative, technical and pricing considerations.	To implement an effective, objective, fair, open, transparent, accountable and efficient process for obtaining competitive bids based on precisely defined requirements for which a clear or single solution exists. To accept the lowest bid meeting the requirements specified in the competition.	Same as for Request for Tender, except that bid solicitation is done primarily on an invitational basis from a pre-determined bidders list but may be supplemented with posting the bid on a website to provide a single point of access, free of charge.	To obtain competitive pricing for a one-time procurement in an expeditious and cost effective manner through phone, fax, e-mail, other similar communication method, vendor advertisements or vendor catalogues.	To allow for procurement in an efficient and timely manner without seeking competitive pricing.

Appendix C

Procurement Circumstances

<table>
<tr><th rowspan="2">Item</th><th colspan="4">Competitive Process Seeking Multiple Bids or Proposals</th><th rowspan="2">Non-Competitive Procurement</th></tr>
<tr><th>Request for Proposal</th><th>Request for Tender</th><th>Request for Quotation</th><th>Informal, Low Value Procurement</th></tr>
<tr><td>Dollar value of procurement</td><td>> $100,000</td><td>> $100,000</td><td>$10,000- $100,000</td><td>$5,000 - $10,000</td><td>< $5,000 or Any value, subject to proper authorization</td></tr>
<tr><td>Purchaser has a clear or single solution in mind and precisely defines technical requirements for evaluating bids or proposals</td><td>Rarely</td><td colspan="4">Always</td></tr>
<tr><td>In evaluating bids/proposals from qualified bidders, price is the primary factor and is not negotiated</td><td>Low to Moderate Likelihood</td><td colspan="3">Always</td><td>Not Applicable</td></tr>
</table>

Appendix D

Descriptive Features of Procurement Processes

Item	Competitive Process Seeking Multiple Bids or Proposals				Non-Competitive Procurement
	Request for Proposal	**Request for Tender**	**Request for Quotation**	**Informal, Low Value Procurement**	
Sealed bids or sealed proposals required	Always			Not Applicable	
Issue a Request for Information or a Request for Expressions of Interest/Pre-qualification prior to or in conjunction with a call for bids or proposals	Moderate to High Likelihood	Low to Moderate Likelihood		Not Applicable	
Post Period	If greater than $100,000, Bid documents must be posted for 40 days	40 days	14 days	Not Applicable	
Notice Periods	If greater than $100,000, Within 72 Days of award of Contract, notice must be published on the tendering website with the names, description, date of award, value of successful proposal	Within 72 Days of award of Contract, notice must be published on the tendering website with the names, description, date of award, value of successful tender	Not Applicable	Not Applicable	

Item	Competitive Process Seeking Multiple Bids or Proposals				Non-Competitive Procurement
	Request for Proposal	**Request for Tender**	**Request for Quotation**	**Informal, Low Value Procurement**	
Transparency	If Greater than $100,000, Promptly inform participating suppliers of contract award decisions and on request of the supplier in writing. On request, must explain why losing bid lost	Promptly inform participating suppliers of contract award decisions and on request of the supplier in writing. On request, must explain why losing bid lost	Should consider	Not Applicable	
Negotiations	May conduct negotiations with suppliers if (a) it's provided in proposal notice (b) it appears during evaluation that no tender is most advantageous	May conduct negotiations with suppliers if (a) it's provided in proposal notice (b) it appears during evaluation that no tender is most advantageous	May conduct negotiations with suppliers if (a) it's provided in proposal notice (b) it appears during evaluation that no tender is most advantageous	Not Applicable	
Formal process used to pre-qualify bidders/ proponents (i.e. Request for Pre-qualification)	Moderate to High Likelihood		Low Likelihood	Not Applicable	
Seek bids or proposals from known bidders/ proponents (Bidders List)	Moderate to High Likelihood	Low to Moderate Likelihood	Always	Moderate to High Likelihood	

Appendix D (Cont'd)

Descriptive Features of Procurement Processes (Cont'd)

Item	Competitive Process Seeking Multiple Bids or Proposals				Non-Competitive Procurement
	Request for Proposal	Request for Tender	Request for Quotation	Informal Low Value Procurement	
Two-envelope[1] or similar multi-stage approach used	Moderate to High Likelihood	Not Applicable			
Bids or proposals opened and reviewed at a meeting (Public or not[2])	Always	Always	Moderate to High Likelihood	Not Applicable	
Type of agreement with supplier	Purchase order, legally executed agreement, or blanket contract (standing agreement/offer).			Purchase by cash, purchase order, or credit card.	Cash, purchase order, credit card, legally executed agreement, or blanket contract (standing agreement/offer) .
May include In-house bidding in addition to external bidding	No			Not applicable	

[1] In the two-envelope approach, qualitative and technical information is evaluated first and pricing information in a separate envelope is evaluated thereafter only if the qualitative and technical information meet a minimum score requirement predetermined by the municipality/local Board. For more details, see Appendix F.

[2] This may depend on the nature proprietary information. Additionally, refer to By-law #3 Proceedings of the Board of Health for when items may be considered "in-camera" and exemptions that may apply under Municipal Freedom of Information and Protection of Privacy Act (MFIPPA) and Freedom of Information and Protection of Privacy Act (FIPPA).

Appendix E

THE "TWO-ENVELOPE" PROCUREMENT PROCESS

The two-envelope approach is used when the purchaser wants to evaluate the technical and qualitative information of a given proposal without being influenced by prior knowledge of the corresponding pricing information. Proposal evaluation is done usually by a team of staff from possibly more than one department who have relevant expertise for making the evaluation.

In the two-envelope approach, each proponent must submit qualitative and technical information in a sealed envelope (envelope one) and pricing information in a second sealed envelope (envelope two). The contents of envelope one are evaluated and scored according to pre-determined criteria such as relevant firm experience, project team's qualifications/experience, personnel time allocation, understanding of scope of work, methodology/thoroughness of approach, quality and completeness of proposal submission, etc.

When the scoring of envelope one is completed, then the pre-determined process for moving to envelope two is followed. In some procurement strategies, a minimum score threshold is in place at envelope one, and only proposals which meet or exceed that threshold are eligible to proceed to the opening of envelope two and subsequent price evaluation. If a proposal is not eligible to proceed to price evaluation, the proponent is disqualified from further consideration and the second envelope is returned to the proponent unopened.

For each proposal where envelope two is opened, the bid price(s) are scored according to the pre-determined process. The particular procurement and evaluation strategy will dictate the process for scoring the price and subsequently taking the scores from the envelope one and envelope two processes into account, resulting in a total evaluated score for the proposal. The total evaluated scores are ranked, and the proposal with the highest ranked score is considered the successful proposal, unless council or the local Board, as applicable, decides otherwise. In the event of a tie, the pre-determined process for handling a tie is followed.

MIDDLESEX-LONDON HEALTH UNIT

REPORT NO. 012-19FFC

TO: Chair and Members of the Finance & Facilities Committee

FROM: Christopher Mackie, Medical Officer of Health /CEO

DATE: 2019 March 7

Q4 FINANCIAL UPDATE AND FACTUAL CERTIFICATE

Recommendation

It is recommended that the Finance & Facilities Committee review and recommend to the Board of Health to approve Report No. 012-19FFC re: Q4 Financial Update and Factual Certificate.

Key Points

- The 2018 approved budget assumes a zero percent increase in Mandatory Programs funding from the Ministry of Health and Long-Term Care (MOHLTC).
- On May 7, 2018, the Board received provincial grant approvals for 2018 which included an increase to base funding totaling $484,000 – this increase was reflected in the revised budget for 2018.
- Full year net spending has tracked very close to budget with a projected surplus of $23,350, however there is uncertainty in an outstanding invoice that may affect this.
- Included in the financial update is a signed factual certificate, which provides assurance that financial and risk management functions are being performed.

Background

The Board of Health approved the 2018 operating budget on February 15, 2018 (Report No. 005-18FFC). On May 7, 2018, the Board received provincial grant approvals for 2018 which included an increase to base funding totaling $484,000. This increase is now reflected in the revised budget for 2018.

Financial Highlights

The Budget Variance Summary, which provides budgeted and actual expenditures for the year ended December 31, 2018 for the programs and services governed by the Board of Health, is attached as Appendix A. A year-end surplus of funds of $23,350 (net of expected gapping recovery of $932,963) is currently projected. There remains significant uncertainty in this projection, as MLHU received a fourth quarter invoice for parking at 50 King that was well out of the expected range. This surplus may also be revised over the course of the year-end audit process.

Factual Certificate

A factual certificate, attached as Appendix B, is to be signed by Health Unit leaders responsible for ensuring certain key financial and risk management functions are being performed to the best of their knowledge. The certificate is revised as appropriate on a quarterly basis and submitted with each financial update.

This report was prepared by the Finance Team, Healthy Organization Division.

Christopher Mackie, MD, MHSc, CCFP, FRCPC
Medical Officer of Health / CEO

Appendix A
Report No. 012-19FFC

MIDDLESEX-LONDON HEALTH UNIT
NET BUDGET VARIANCE SUMMARY
As at December 31, 2018

	2018 YTD ACTUAL (NET)	2018 YTD BUDGET (NET)	VARIANCE (OVER) / UNDER	% VARIANCE	DECEMBER FORECAST	2018 ANNUAL BUDGET	ANNUAL SURPLUS / (DEFICIT)	% VARIANCE	Comment / Explanation
Environmental Health & Infectious Disease Division									
Office of the Director	$ 274,907	$ 278,276	$ 3,369	1.2%	$ 274,907	$ 278,276	$ 3,369	1.2%	Lower spending on program supplies $2,586 and travel $756.
Emergency Management	170,214	231,317	61,103	26.4%	170,214	$ 231,317	$ 61,103	26.4%	Lower spending on needle recovery costs $38,827 and programming and lower than planned project costs $11,027 during period of vacancy of manager position coupled with lower salaries $8,224 and related benefits $773 related to vacancy of manager position.
Food Safety & Healthy Environments	1,773,058	1,794,777	21,719	1.2%	1,773,058	$ 1,794,777	$ 21,719	1.2%	Higher revenues reflect one-time ministry funding for enforcement of Healthy Menu Choices Act (HMCA) $30,000, additional revenue from food handler training fees $6,706, lower spending on program supplies for a food safety campaign $6,860 and travel $4,419 partly offset by higher spending for on-call wages ($13,019) and HMCA enforcement ($13,383).
Infectious Disease Control	1,720,884	1,772,289	51,405	2.9%	1,720,884	$ 1,772,289	$ 51,405	2.9%	Lower spending in salaries $18,615 and benefits $28,202 due to vacancies and lower spending for professional services $5,572 related to lower than planned use of translation services.
Safe Water, Rabies & Vector-Borne Disease	1,283,482	1,369,946	86,464	6.3%	1,283,482	$ 1,369,946	$ 86,464	6.3%	Efficiency gains in administration of Vector Borne Disease (VBD) fieldwork led to lower spending in professional services $51,600, travel costs $20,317 and use of program supplies $12,005.
Sexual Health	2,816,049	2,696,615	(119,434)	-4.4%	2,816,049	$ 2,696,615	$ (119,434)	-4.4%	Higher spending in professional services related to Temporary Overdose Prevention Site (TOPS) ($133,327) and lower user fees ($113,767) partly offset by lower spending in program supplies for oral contraceptives $113,709 and staff development $5,235.
Vaccine Preventable Disease	1,419,824	1,476,188	56,364	3.8%	1,419,824	$ 1,476,188	$ 56,364	3.8%	Recovery of vaccine dosage reimbursement from ministry exceeded budget $76,900 and lower that anticipated spending to clear processing data entry backlog $24,000 were partly offset by reduced revenues (55,835) from discontinued sale of Tubersol and shingles vaccine.
Total Environmental Health & Infectious Disease Division	***$ 9,458,417***	***$ 9,619,408***	***$ 160,991***	***1.7%***	***$ 9,458,417***	***$ 9,619,408***	***$ 160,991***	***1.7%***	
Healthy Living Division									
Office of the Director	$ 221,007	$ 257,311	$ 36,304	14.1%	$ 221,007	$ 257,311	$ 36,304	14.1%	Lower spending in salaries $17,593 and benefits $775 related to staff vacancy. Lower spending also occurred in professional services $5,000, program supplies $4,427, travel $3,367 and staff development $2,474.
Child Health	1,408,099	1,629,168	221,069	13.6%	1,408,099	$ 1,629,168	$ 221,069	13.6%	Lower spending in salaries $135,417 and benefits $36,509 due to delay to hire full time PHN and other vacancies. Lower spending also for travel $7,043 staff development $11,881 and program supplies $27,498.
Chronic Disease and Tobacco Control	1,393,398	1,426,291	32,893	2.3%	1,393,398	$ 1,426,291	$ 32,893	2.3%	Lower spending in salaries $20,169 and benefits $4,090 due to vacancies for a PHN (UVR portfolio) and a dietitian. A mid-year $35,000 funding increase to support a communications campaign did not fully offset unfavourable spending on program supplies (28,202).
Healthy Communities and Injury Prevention	1,065,075	1,191,295	126,221	10.6%	1,065,075	$ 1,191,295	$ 126,221	10.6%	Lower spending in salaries $44,810 and benefits $9,543 reflect hiring gap for a PHN, mat leave gapping and additional staff changes. A mid-year funding increase to support Community Drug & Alcohol Strategy reduced spending overruns for program costs ($8,224) program supplies ($7,908) and professinal services ($7,401). Partnership revenues from other funding sources impact favourable variance $86,710 - these will be carried forward to be spent in the subsequent year.

	2018 YTD ACTUAL (NET)	2018 YTD BUDGET (NET)	VARIANCE (OVER) / UNDER	% VARIANCE	DECEMBER FORECAST	2018 ANNUAL BUDGET	ANNUAL SURPLUS / (DEFICIT)	% VARIANCE	Comment / Explanation
Oral Health	1,212,388	1,099,924	(112,464)	-10.2%	1,212,388	$ 1,099,924	$ (112,464)	-10.2%	Planned revenue from dental treatment through SOAHAC has not materialized resulting in shortfall ($150,000) partly offset by lower than planned salaries $18,259 for a dental consultant, higher revenues from Smile Clean program $9,104, lower travel $3,073 and program supplies $2,857.
Southwest Tobacco Control Area Network	413,050	472,950	59,900	12.7%	413,050	$ 472,950	$ 59,900	12.7%	A mid-year funding increase to support a temporary health promoter was not utilized $36,450. Lower spending occurred for program supplies $12,269 and travel. Lower spending for salaries $2,967 and benefits $1,807 reflect a salary differential for replacement staff.
Young Adult Health	1,030,931	1,151,813	120,882	10.5%	1,030,931	$ 1,151,813	$ 120,882	10.5%	Lower spending in salaries $78,261 and benefits $21,505 due to delay to replace dietitian on maternity leave, part-time PHN position and other expected hiring gaps. In addition lower spending occurred on program supplies $12,145 travel $4,700 and professional services $3,702.
Total Healthy Living Division	***$ 6,743,948***	***$ 7,228,752***	***$ 484,804***	***6.7%***	***$ 6,743,948***	***$ 7,228,752***	***$ 484,804***	***6.7%***	
Healthy Start Division									
Office of the Director	$ 245,528	$ 260,678	$ 15,150	5.8%	$ 245,528	$ 260,678	$ 15,150	5.8%	Lower spending in program supplies $11,145 and travel $1,779.
Best Beginnings	2,793,084	3,055,406	262,322	8.6%	2,793,084	$ 3,055,406	$ 262,322	8.6%	Lower spending in salaries $147,468 and benefits $62,714 reflect hiring gap for a number of staff positions. A mid-year funding increase $46,000 for a PHN to support home visiting was not utilized due to hiring gaps. Savings were also realized in travel $4,070 and staff development $3,003 related to the hiring gap.
Early Years Health	1,461,165	$ 1,647,916	186,751	11.3%	1,461,165	$ 1,647,916	$ 186,751	11.3%	Lower spending in salaries $102,453 and benefits $19,990 reflect hiring gap for a number of staff positions. Lower spending for program supplies $17,240 due to program delays in health promotion and social media initiatives resulting from service delivery changes. Travel is favourable $2,306 due to staff vacancies. A mid-year funding increase $46,000 for a PHN to support work during the transition to new breastfeeding home visits was not utilized due to hiring gaps.
Reproductive Health	1,382,220	1,549,774	167,554	10.8%	1,382,220	$ 1,549,774	$ 167,554	10.8%	Lower spending in salaries $114,049 and benefits $23,141 reflect hiring gaps for staff positions. Lower spending in program supplies $12,814 and professional services $8,812 due to program delays.
Screening Assessment and Intervention	3,149,453	$ 3,149,453	-	0.0%	3,149,453	$ 3,149,453	$ -	0.0%	No variance by year-end.
Total Healthy Start Division	***$ 9,031,450***	***$ 9,663,227***	***$ 631,777***	***6.5%***	***$ 9,031,450***	***$ 9,663,227***	***$ 631,777***	***6.5%***	
Office of the Chief Nursing Officer	***$ 447,031***	$ 462,022	$ 14,991	3.2%	***$ 447,031***	***$ 462,022***	***$ 14,991***	***3.2%***	Mid-year funding to support reconciliation and promoting a diverse and inclusive environment was underspent by $21,280 and partly offset by additional spending in staff development ($8,426), professional services ($4,999) and other program costs ($1,487).
Office of the Medical Officer of Health									
Office of the Medical Officer of Health	$ 516,132	$ 565,363	$ 49,231	8.7%	$ 516,132	$ 565,363	$ 49,231	8.7%	Lower spending in salaries $59,723 and benefits $16,125 are due to delay to hire Policy Analyst, partly offset by contract costs for part time assistance ($28,953) and higher than planned staff development costs ($9,023).
Communications	$ 505,222	517,194	11,972	2.3%	505,222	$ 517,194	$ 11,972	2.3%	Lower spending in salaries $3,787 travel $2,063, program supplies $1,778 and staff development $2,165.
Associate Medical Officer of Health	$ 171,386	$ 305,833	134,447	44.0%	171,386	$ 305,833	$ 134,447	44.0%	Lower spending in salaries $116.991, benefits $17,039 and staff development $1,012 due to delay to hire AMOH.
Population Health Assessment & Surveillance	$ 549,297	523,273	(26,024)	-5.0%	549,297	$ 523,273	$ (26,024)	-5.0%	Costs for a contract epidemiologist exceeded plan for salaries ($24,491) and benefits ($2,910).

	2018 YTD ACTUAL (NET)	2018 YTD BUDGET (NET)	VARIANCE (OVER) / UNDER	% VARIANCE	DECEMBER FORECAST	2018 ANNUAL BUDGET	ANNUAL SURPLUS / (DEFICIT)	% VARIANCE	Comment / Explanation
Total Office of the Medical Officer of Health	***$ 1,742,037***	***$ 1,911,663***	***$ 169,626***	***8.9%***	***$ 1,742,037***	***$ 1,911,663***	***$ 169,626***	***8.9%***	
Healthy Organization Division									
Office of the Director	$ 310,051	$ 318,316	$ 8,265	2.6%	$ 310,051	$ 318,316	$ 8,265	2.6%	Lower spending in travel $7,614 and professional services $18,686 partly offset by higher spending for staff development ($18,747).
Finance	472,365	510,697	38,332	7.5%	472,365	$ 510,697	$ 38,332	7.5%	Lower spending as budget funding increase of $47,000 to provide temporary assistance to Finance was not fully utilized, due to delay to hire temporary replacement staff $35,231 as well as lower spending for program supplies $1,347 and other program costs $1,714.
Human Resources	646,387	$ 669,478	23,091	3.4%	646,387	$ 669,478	$ 23,091	3.4%	Lower spending in salaries $15,438 and benefits $6,199 due to manager vacancy, coupled with lower spending in professional services $1,555.
Information Technology	1,139,468	988,981	(150,487)	-15.2%	1,139,468	$ 988,981	$ (150,487)	-15.2%	Approved spending for Electronic Client Records (ECR) project implementation fees and licence fees ($239,111), partly offset by lower spending in computer equipment $37,763, salaries $34,336, benefits $6,664 and computer supplies $7,318
Privacy Risk & Governance	147,378	$ 154,099	6,721	4.4%	147,378	$ 154,099	$ 6,721	4.4%	Lower spending in salaries $3,449 and benefits $1,984 related to period of vacancy during replacement of department manager.
Procurement & Operations	250,547	260,844	10,297	3.9%	250,547	$ 260,844	$ 10,297	3.9%	Lower spending for salaries $2,958 and benefits $6,725 due to vacancies of two support positions during the year.
Program Planning & Evaluation	739,214	$ 857,409	118,195	13.8%	739,214	$ 857,409	$ 118,195	13.8%	Lower spending in salaries $96,878 and benefits $39,537 related to delays to fill staff positions, and lower spending in program supplies $5,630 related to access copyright costs, partly offset by higher spending in professional fees ($22,565) related to Rapid Risk Factor Surveillance System (RRFSS).
Strategic Projects	172,684	248,436	75,752	30.5%	172,684	$ 248,436	$ 75,752	30.5%	Lower spending in salaries $63,308 and benefits $12,025 related to hiring delays for manager and project coordinator positions.
Total Healthy Organization Division	***$ 3,878,093***	***$ 4,008,260***	***$ 130,167***	***3.2%***	***$ 3,878,093***	***$ 4,008,260***	***$ 130,167***	***3.2%***	
General Expenses & Revenues	***$ 3,283,825***	2,647,783	***$ (636,042)***	-24.0%	***$ 3,283,825***	***$ 2,647,783***	***$ (636,042)***	***-24.0%***	Major variances include higher employment-related expenses ($200,000), higher than planned retiree benefits costs ($40,054) and approved spending related to relocation including architectural fees ($193,421), project management fees ($97,058) and purchase of furniture ($209,852). These variances are partly offset by higher than planned revenues, including interest income 42,435, higher than planned recovery of occupancy costs from 100% funded programs $41,051 and lower board expenses $13,635.
Total Expenditures Before Expected Gapping	**$ 34,584,802**	**$ 35,541,115**	**$ 956,313**	**2.7%**	**$ 34,584,802**	**$ 35,541,115**	**$ 956,313**	**2.7%**	
Less: Expected Agency Gapping Budget		(932,963)	(932,963)			(932,963)	(932,963)		Expected agency gapping budget has been fully offset by lower spending in all operating divisions as planned.
TOTAL BOARD OF HEALTH EXPENDITURES	**$ 34,584,802**	**$ 34,608,152**	**$ 23,350**	**0.1%**	**$ 34,584,802**	**$ 34,608,152**	**$ 23,350**	**0.1%**	

Middlesex-London Health Unit
FACTUAL CERTIFICATE

To: Members of the Board of Health, Middlesex-London Health Unit

The undersigned hereby certify that, to the best of their knowledge, information and belief after due inquiry, as at December 31, 2018:

1. The Middlesex-London Health Unit is in compliance, as required by law, with all statutes and regulations relating to the withholding and/or payment of governmental remittances, including, without limiting the generality of the foregoing, the following:
    - All payroll deductions at source, including Employment Insurance, Canada Pension Plan and Income Tax;
    - Ontario Employer Health Tax; and
    - Federal Harmonized Sales Tax (HST).

   Further, staff believe that all necessary policies and procedures are in place to ensure that all future payments of such amounts will be made in a timely manner.

2. The Middlesex-London Health Unit has remitted to the Ontario Municipal Employees Retirement System (OMERS) all funds deducted from employees along with all employer contributions for these purposes.

3. The Middlesex-London Health Unit is in compliance with all applicable Health and Safety legislation.

4. The Middlesex-London Health Unit is in compliance with applicable Pay Equity legislation.

5. The Middlesex-London Health Unit has not substantially changed any of its accounting policies or principles since December 8, 2016.

6. The Middlesex-London Health Unit reconciles its bank accounts regularly and no unexpected activity has been found.

7. The Middlesex-London Health Unit has filed all information requests within appropriate deadlines.

8. The Middlesex-London Health Unit is in compliance with the requirements of the Charities Act, and the return for 2017 has been filed. (due by June 30th each year).

9. The Middlesex-London Health Unit has been named in a complaint to the Human Rights Tribunal of Ontario by a former student. The hearing has been completed and a decision to dismiss has been rendered that found no violation of human rights, however the individual has filed an Application to Divisional Court for a Judicial Review.

10. The Western Fair has issued a Third Party claim including the Health Unit involving an alleged infection with Q-fever bacteria while at Western Fair in 2011. The claim is being defended by City Legal Services as they were the insurer at the time. City Legal Services has indicated that there is no exposure to a financial claim for the Health Unit.

11. The Middlesex-London Health Unit is fulfilling its obligations by providing services in accordance with our funding agreements, the Health Protection & Promotion Act, the Ontario Public Health Standards, and as reported to the Board of Health through reports including but not limited to:
    - Quarterly Financial Updates;
    - Annual Audited Financial Statements;
    - Annual Reporting on the Accountability Indicators;
    - Annual Service Plans; and
    - Information and Information Summary Reports.

Dated at London, Ontario this 2nd day of January, 2019

Dr. Christopher Mackie
Medical Officer of Health & CEO

Brian Glasspoole
Manager, Finance

Laura Di Cesare
Director, Healthy Organization

MIDDLESEX-LONDON HEALTH UNIT

REPORT NO. 013-19FFC

TO: Chair and Members of the Finance & Facilities Committee

FROM: Christopher Mackie, Medical Officer of Health / CEO

DATE: 2019 March 7

2018 VENDOR / VISA PAYMENTS

Recommendation

It is recommended that the Finance & Facilities Committee receive Report No. 013-19FFC re: "2018 Vendor/Visa Payments" for information.

Key Points

- Appendix A provides a list of vendors that received payments totalling $100,000 or more from the Middlesex-London Health Unit in 2018.
- Appendix B provides a summary of purchases made using the corporate purchase (Visa) cards.

Vendor Payments

In accordance with Section 5.17 of the Procurement Policy, the Manager, Finance is to report annually those suppliers that have invoiced a cumulative total value of $100,000 or more in a calendar year. Attached (Appendix A) is a list of twenty-two vendors who were issued payments in excess of $100,000 in 2018. The list includes payments associated with employer pension and benefit payments, building and janitorial lease payments, contracts for delivery of speech and language services, technology support and equipment, and consulting fees in connection with the relocation project.

Corporate Purchase (Visa) Card Payments

The Finance & Facilities Committee also receives an annual summary report of purchases made with corporate purchase cards. Attached (Appendix B) is a summary by category of purchases made using the corporate credit cards in 2018. The total amount purchased using these cards was $420,422, a decrease of $158,311, or 27.4%, from the prior year. This figure was based on 2,453 transactions, a decrease of 1,219 transactions, or 33.2%. Corporate purchase cards are often used to facilitate the efficient payment of goods and services. The two top expense types in 2018 were Materials and Supplies, in the amount of $181,797, or 43.2% of the total, accounting for 48% of the transactions; and Advertising/Health Promotion, in the amount of $89,262, or 21.2%, accounting for approximately 14% of the transactions. A reduction in payments to Facebook for Advertising/Health Promotion accounted for the largest change in spending in the year.

This report was prepared by the Finance Team, Healthy Organization Division.

Christopher Mackie, MD, MHSc, CCFP, FRCPC
Medical Officer of Health/CEO

BUREAU DE SANTÉ DE MIDDLESEX-LONDON HEALTH UNIT
www.healthunit.com

Appendix A
Report No. 013-19FFC

2018 Vendor Payment Summary > $100,000

Vendor Name	Total Invoiced	Comments
OMERS	$ 4,009,077	Pension payments (includes employee share)
Great West Life	$ 1,566,884	Employer Health Benefits (includes LTD paid by employees)
County of Middlesex	$ 1,039,842	Lease related payments - 50 King St.
Thames Valley Children's Centre	$ 1,104,190	Service contracts (tykeTALK / IHP)
University of Western Ontario	$ 732,886	Service contracts (tykeTALK / IHP)
Regional HIV/Aids Connection	$ 665,264	Needle Exchange program (majority 100% funded by MOHLTC)
Stronghold Services	$ 486,891	IT Service Contract (payment largely includes $259,120 for managed IT services, $175,828 for purchase of computer equipment and $24,986 for managed anti-virus service)
Richmond Block London Corp	$ 362,723	Lease payments - 201 Queens Ave
Woodstock General Hospital	$ 329,739	Service contracts (tykeTALK / IHP)
Elgin Audiology Consultants	$ 314,384	Service Contracts (Infant Hearing Program)
Intrahealth Canada Limited	$ 265,522	ECR Project-Licenses & Implementation Fee
Workplace Safety & Insurance	$ 243,302	WSIB premiums
Endri Poletti Architect Inc.	$ 225,520	Architecture Fees
Complete Interior & Design Ltd	$ 221,736	Furniture purchases
McKesson Canada	$ 174,880	Distributor for NRT and Contraceptives
Rescue Social Change Group	$ 167,296	Service Contract – Uprise Project - SWTCAN
GDI Services (Canada) LP	$ 165,370	Cleaning of 50 King Street premises
Ceridian Canada Ltd	$ 126,452	Dayforce Implementation Fee
CNIB	$ 118,161	Service contracts (Blind Low Vision)
CANBA Investments Limited	$ 117,598	Lease related payments – Strathroy office
BES Projecting Consulting	$ 113,613	Construction Project Monitoring
Mckenzie Lake Lawyers LLP	$ 103,165	Legal Fees

Summary of 2018 Corporate Purchase Card Purchases

Expense Category	2017		2018	
	Amount	# of transactions	Amount	# of transactions
Accommodations / Meals	$ 52,448	248	$ 43,237	254
Advertising / Health Promotion	173,339	1,265	89,262	337
Computer Equipment/Supplies	12,118	12	4,751	13
Materials & Supplies	202,785	1,353	181,797	1,178
Medical / Clinic Supplies	5,109	21	4,735	26
Memberships / Agency Fees	22,533	64	10,866	24
Other Expenses	3,039	16	2,226	7
Professional Development	61,994	225	55,419	191
Travel[1]	45,368	468	28,129	423
Total	**$ 578,733**	**3,672**	**$ 420,422**	**2,453**

Notes:

1) Travel includes all modes of travel such as air, train, vehicle rentals and gas and parking costs.

MIDDLESEX-LONDON HEALTH UNIT

REPORT NO. 014-19FFC

TO: Chair and Members of the Finance & Facilities Committee

FROM: Christopher Mackie, Medical Officer of Health / CEO

DATE: 2019 March 7

PUBLIC SECTOR SALARY DISCLOSURE ACT - 2018 RECORD OF EMPLOYEE'S SALARIES AND BENEFITS

Recommendation

It is recommended that the Finance & Facilities Committee make recommendation to the Board of Health to receive Report No. 014-19FFC re: "Public Sector Salary Disclosure Act – 2018 Record of Employee's Salaries and Benefits" for information.

Key Points

- The Public Sector Salary Disclosure Act, 1996, requires the Health Unit to disclose names, positions, salaries and taxable benefits of employees who were paid $100,000 or more in 2018.
- Attached as Appendix A is the information that is required to be submitted to the Minister of Finance on or before the 5th business day in March 2019.

Background

The Public Sector Salary Disclosure Act, 1996 (the Act) makes Ontario's public sector more open and accountable to taxpayers. The act requires organizations that receive public funding from the Province of Ontario to disclose annually the names, positions, salaries and total taxable benefits of employees paid $100,000 or more in a calendar year.

The Act applies to organizations such as the Government of Ontario, Crown Agencies, Municipalities, Hospitals, Boards of Public Health, School Boards, Universities, Colleges, Hydro One, Ontario Power Generation, and other public sector employers who receive a significant level of funding from the provincial government.

Compliance

The main requirement for organizations covered by the act is to make their disclosure or if applicable to make their statement of no employee salaries to disclose available to the public by March 31st each year. Organizations covered by the act are also required to send their disclosure or statement to their funding ministry or ministries by the fifth business day of March.

Attached as **(Appendix A)**, is the record of employee's 2018 salaries and benefits for the Middlesex-London Health Unit which will be forwarded to the Minister of Finance.

This report was prepared by the Finance Team, Healthy Organization Division.

Christopher Mackie, MD, MHSc, CCFP, FRCPC
Medical Officer of Health/CEO

Appendix A to Report No. 014-19FFC

PUBLIC SECTOR SALARY DISCLOSURE ACT - 2018 RECORD OF EMPLOYEE'S SALARIES AND BENEFITS

Last Name	First Name	Position Name	Reported Salary	Taxable Benefits
Albanese	Mary Lou	Program Manager	$107,082.76	$915.80
Brittan	Rhonda	Program Manager	$106,563.44	$910.64
Cramp	Anita	Program Manager	$106,334.33	$908.06
Dhinsa	Shaya	Program Manager	$107,490.03	$915.80
Dhir	Suman	Dentist	$100,461.15	$0.00
Di Cesare	Laura	Director	$132,293.81	$1,120.04
Flaherty	Brendan	Program Manager	$107,082.76	$915.80
Glasspoole	Brian	Manager, Finance	$107,082.76	$911.72
Jutzi	Darrell	Program Manager	$104,601.66	$894.44
Lokko	Heather	Director	$132,293.81	$1,120.04
Mackie	Christopher	Medical Officer of Health	$289,617.12	$2,308.96
Pavletic	David	Program Manager	$107,082.76	$915.80
Rowlands	Maureen	Director	$100,696.36	$821.86
Sekercioglu	Fatih	Program Manager	$107,160.64	$915.80
Shugar	Debbie	Program Manager	$107,082.76	$915.80
Stobo	Linda	Program Manager	$107,082.76	$915.80
Turner	Stephen	Director	$129,975.53	$1,099.36
Vandervoort	Suzanne	Program Manager	$111,703.78	$954.69