

1. Purpose

The purpose of this procedure is to set out the reasons and process for suspending vendors from participation in the Limestone District School Board's (LDSB) procurement processes.

2. Application

LDSB may suspend vendors from its procurement processes to ensure quality deliverables, value for public money, and ethical business conduct.

A decision to suspend a vendor must be made in accordance with this procedure, must be supported by evidence and must be based on the reasons and factors set out below.

Vendors are responsible for any employees, representatives, agents, or subcontractors that are acting on their behalf and all references to the actions or conduct of the vendor under this procedure include the actions of any individual or entity acting on behalf of the vendor.

3. Procurement Review Committee

LDSB will establish a Procurement Review Committee (the "PRC") for the purpose of making determinations under this procedure. The PRC will consist of the Superintendent of Corporate Services and a minimum of two (2) other officers or employees appointed at the discretion of the Superintendent of Corporate Services.

4. Reasons for Suspension

4.1 Crimes or Offences

If a vendor is convicted of serious crimes or other serious offences, including bid-rigging, price-fixing or collusion, fraud or other statutory offences, LDSB will suspend that vendor from participating in future procurement processes.

4.2 False Declarations

If a vendor includes false or misleading information in its bids, LDSB may suspend that vendor from participating in future procurement processes.

If a vendor fails to disclose a conflict of interest in connection with a procurement process or during the performance of a contract with LDSB, and LDSB subsequently discovers that such a conflict of interest exists, LDSB may suspend that vendor from participating in future procurement processes.

The following non-exclusive factors shall weigh in favour of suspension:

- (a) the vendor knowingly made misrepresentations or failed to disclose a conflict of interest.
- (b) the misrepresentation or undisclosed conflict of interest resulted in the vendor having an unfair advantage or otherwise compromised the integrity of the LDSB's procurement process.

4.3 Poor Performance

If a vendor performs inadequately under a contract with LDSB, LDSB may consider suspending that vendor in any of the following circumstances:

- (a) the deficiencies in performance were significant or persistent.
- (b) the contract was terminated for performance issues prior to expiry.
- (c) there were unrectified performance issues on a contract that resulted in extra costs for LDSB.
- (d) the deliverables provided were defective or deficient, and either were not replaced or repaired, or required multiple repairs.
- (e) LDSB brought a litigation proceeding against the vendor in connection with

performance or non-performance of the vendor's contractual obligations.

- (f) the agreed upon project schedule was not followed, i.e., significant/unreasonable delays.

4.4 Professional Misconduct or Lack of Commercial Integrity

LDSB may suspend a vendor for professional misconduct or acts or omissions that adversely reflect on the commercial integrity of the vendor. Such conduct includes, but is not limited to:

- (a) unethical bidding practices, such as inappropriate offers of gifts to LDSB officials, officers, employees or agents and inappropriate in-process lobbying or prohibited communications during a procurement process.
- (b) failing to comply with requirements during the procurement process.
- (c) failing to perform contracts in a professional and competent manner in accordance with the duty of honest performance and all applicable laws, including safety and labour codes; and
- (d) engaging in litigious conduct or bringing frivolous or vexatious claims in connection with LDSB's procurement processes or contracts, including but not limited to, unreasonable cost or expense claims or unsubstantiated allegations impugning the integrity of the purchasing institution or its staff in relation to a procurement process.

5. Process for Suspension

5.1 Suspension Recommendation Report

Any decision to suspend a vendor must be supported by a written Suspension Recommendation Report that contains all details connected with the analysis of factors set out above.



The Assistant Manager of Financial Services, shall be responsible for the Suspension Recommendation Report

5.2 Length and Scope of Suspension

The Suspension Recommendation Report must include the recommended length and scope of the suspension.

The length of the suspension period should be proportional to the reasons for the suspension. Typically, this period should range from a minimum of two (2) years to a maximum of five (5) years. In the most serious cases involving convictions/criminal or quasi-criminal offences, a suspension period of up to ten (10) years may be considered.

The scope of the suspension can be either a blanket suspension for all procurement processes or a suspension limited to procurement processes for specific deliverables.

The scope of the suspension can apply to both corporate entities as well as individuals.

5.3 Vendor Notification and Opportunity to Respond

The Superintendent of Corporate Services will notify the vendor of the decision to recommend suspension and will provide the vendor with a copy of the Suspension Recommendation Report setting out the reasons for the suspension. The notice will advise the vendor of its opportunity to respond to the recommendation for suspension by sending written submissions to the Superintendent of Corporate Services within ten (10) business days of the notice.

5.4 Decision of Procurement Review Committee (PRC)

All decisions to suspend a vendor must be approved by the PRC.

In making its decision, the PRC will consider the Suspension Recommendation Report and any response submitted by the vendor.

The PRC may seek any additional information it requires and may consult with other

staff or other advisors, as necessary.

5.5 Notice of Decisions

The vendor must be notified, in writing, of the final suspension decision made by the PRC. If the recommendation for suspension is approved, the notification letter must contain:

- (a) the length of the suspension period and the scope of the suspension.
- (b) full details as to the reasons for the suspension, including copies of any documents or correspondence to support such a suspension; and
- (c) notice of the vendor's right to apply for reinstatement within the prescribed time and the process for requesting such a reinstatement.

6. Application for Reinstatement

A suspended vendor may apply for the reinstatement upon the completion of half of the original suspension period. For example, if the original suspension period was two years, the vendor may apply for reinstatement after one (1) year.

To apply for reinstatement, the vendor must submit a written case for reinstatement, including supporting documentation, if necessary, that provides reasons why the original reason for the suspension would no longer be a risk for LDSB.

Applications for reinstatement are to be reviewed by the PRC. If the PRC determines that allowing the vendor the opportunity to participate in LDSB's procurement processes would no longer expose LDSB to risk, then the application for reinstatement may be approved.

The vendor must be notified, in writing, of the final reinstatement decision made by the PRC.



7. Suspended Vendors List

Purchasing Services must maintain an up-to-date and current list of all suspended vendors. Any vendor that is owned or controlled by the same individual(s) that owned or controlled a suspended vendor at the time it was suspended is also considered suspended.

The list should contain, at a minimum:

- Vendor Name
- Address
- Reason for suspension
- Term of suspension
- Relevant documentation

For any competitive procurement process, the Purchasing Department must check the suspended vendors list to ensure that bids are not accepted from suspended vendors.