

## **THE PROCUREMENT AWARD COMMITTEE CHARTER**

### **Mandate**

The Procurement Award Committee (“PAC”) is established as a management committee of Toronto Community Housing Corporation (“TCHC”) to assist the Board in fulfilling its responsibilities in respect of contract award approvals within the scope of its approval authority, as described in this Charter.

### **Responsibilities**

The PAC fulfills its mandate by reviewing and approving contract awards within the scope of its approval authority, as described in this Charter, and by recommending approval by the Building Investment, Finance and Audit Committee (“BIFAC”) and/or the Board the approval of contract awards beyond the scope of that authority.

### **Prerequisites for PAC Authority (Competitive Procurement)**

The PAC has authority to approve contracts, with the exception of consultant contracts not directly related to capital repair and/or development projects, if all of the following conditions are met:

1. The Senior Director of Procurement has recommended the award as being conducted in a fair and transparent manner and in compliance with the terms of a competitive procurement call, and applicable procurement policies, procedures, and protocols;
2. The award is to the supplier(s) whose response meets the specifications and qualification requirements set out in the solicitation and whose response represents the best value to TCHC based on the evaluation criteria set out in the solicitation, including price criteria;
3. The term of the contract does not exceed a maximum term of five (5) years, or the projected term of capital funding for a project as approved by the TCHC Board of Directors;
4. The award and resulting commitment is less than or equal to \$2.5 million (exclusive of taxes);
5. The PAC has not received a material written objection to the merits of the award, prior to the decision to award by the PAC.

6. All members of the PAC, present at the meeting when the matter is considered, vote in favour of the award.

### **Prerequisites for PAC Authority (Change Orders)**

The PAC has authority to award change orders to previously approved contracts, with the exception of consultant contracts not directly related to capital repair and/or development projects, if all of the following conditions are met:

1. The original contract was awarded through a competitive procurement call, and applicable procurement policies, procedures, and protocols.
2. When the original contact was approved by either the President and CEO, pursuant to their delegated authority or by the PAC:
  - (a) the cumulative value of the change order(s), original contract and resulting commitments is less than or equal to \$2.5 million (exclusive of taxes); and
  - (b) the cumulative value of the change order(s) (exclusive of taxes) is less than or equal to twenty (20%) percent of the original contract value.
3. When the original contact was approved by the BIFAC or the Board of Directors, the cumulative value of the change order(s) does not exceed the lesser of twenty (20%) percent of the original contract value or \$2.5 million (exclusive of taxes).
4. The funding for the change order and subsequent commitment is within existing budget approvals from the Board of Directors.
5. All members of the PAC, present at the meeting when the matter is considered, vote in favour of the change order.

### **Authority**

The PAC has full delegated authority from the Board in respect of the matters that fall within this Charter.

The PAC is accountable to the Board and shall not be entitled to sub-delegate all or any of the powers and authority delegated to it, unless authorized under TCHC's Financial Control Bylaw No. 3.

### **Composition**

- President and Chief Executive Officer;
- General Counsel and Corporate Secretary;
- Vice President, Human Resources;
- Chief Financial Officer and Treasurer;
- Chief Operating Officer;

- Chief Development Officer; and
- Senior Director, Strategic Procurement.

### **Quorum**

- Quorum shall be a minimum of four members.
- Where a quorum is present, decisions shall be taken by motion, with passage by unanimous vote.
- Written resolution in lieu of meeting signed by all members of the PAC is permitted.

### **Meetings**

- The PAC will meet as frequently as it determines necessary, generally through monthly meetings.
- The procedure at meetings shall adhere to the by-laws of the Corporation or any resolution of the Board.

### **Review**

- The PAC shall review its Charter on an annual basis and recommend any changes to such terms to the Governance, Communications and Human Resources Committee.

### **Reporting**

- The PAC will report the proceedings of each meeting, all contracts and change orders awarded, and all recommendations made by the PAC to the BIFAC at the BIFAC's next meeting. The PAC will make such recommendations to the BIFAC as it may deem appropriate.

Approved: June 27, 2019

Amended: July 30, 2020

Amended: