

REQUEST FOR PROPOSALS

PROCUREMENT NUMBER: 21-007

Une version française de l'Appel d'offre sera disponible sur demande. Les soumissionnaires peuvent présenter leurs propositions dans l'une ou l'autre des langues officielles.

The Agency for Co-operative Housing is requesting Proposals from qualified service providers for bookkeeping and accounting services on either a fully or partly outsourced basis.

CLOSING DATE: Proposals must be received **no later** than 5:00 p.m. ET on **22 January 2021**.

Bidders are asked to submit questions about this RFP no later than **15 January 2021**. The Agency will share all questions received and the answers provided with all Bidders.

Bidders are asked to submit an Expression of Interest by **8 January 2021**. The Agency reserves the right to conduct a Bidder pre-qualification process following the receipt of expressions of interest.

1. Introduction

The Agency for Co-operative Housing is a non-governmental, not-for-profit organization created to provide program-management services to Canada Mortgage and Housing Corporation (CMHC) and other government clients. Under a service agreement with CMHC, the Agency administers agreements entered between CMHC and housing co-operatives in Prince Edward Island, Ontario, Alberta and British Columbia and rent supplement programs in PEI and Ontario.

The Agency's mandate is to ensure that public funds committed under the programs administered are spent as intended and properly accounted for and to protect the public's investment in the programs by helping co-operatives achieve the best possible results while lowering their risk of mortgage default.

The Agency has a staff of 47.

Further information on the Agency is available at www.agency.coop.

2. **Purpose of this Request for Proposals**

The Agency is seeking the services of a qualified firm to provide it with partly or fully outsourced bookkeeping and accounting services. Bidders are asked to price and propose two alternatives:

Alternative 1: accounting services only, as defined in Part 4 of this RFP.

Alternative 2: both accounting and bookkeeping services, each as defined in Part 4 of this RFP.

Start Date and Duration of Service

The Agency will enter into a three-year agreement with the successful Bidder, renewable at the Agency's sole discretion for a further two-year period, provided the services performed during the first period are to the Agency's satisfaction. An agreement start date of **1 April 2020** is anticipated.

3. **Background**

The Agency's bookkeeping and financial reporting functions are currently performed using the accounts-payable, accounts-receivable and general-ledger modules of Sage 300 for Windows. Agency staff pre-process and approve supplier invoices using a [Sage AP automation](#) software that integrates with Sage 300. Accordingly, about 90 per cent of the accounts payable entries into Sage 300 need only be reviewed by the bookkeeper and posted as a batch. The Sage servers are hosted on the Agency's premises in Ottawa.

About 99 per cent of the Agency's revenue comes from an annual fee for service from CMHC. The annual CMHC fee is received in advance, in four equal quarterly instalments, through direct deposit to the Agency's account. Other cash receipts are infrequent, numbering, on average, about 15 per month. An estimated 70 disbursements are made on average each month, in almost all cases by pre-authorized debit or electronic funds transfer. Very few cheques are issued. Cash disbursements are processed biweekly. As a provider of taxable services, the Agency charges HST, making remittances and claiming input tax credits quarterly.

The Agency's payroll is administered by an [external payroll services firm](#). Employees work from four provinces (Quebec, Ontario, Alberta and B.C.) and are paid twice monthly. Salaries are normally adjusted twice annually: once on the first pay of the year and again on the seventh pay, after annual performance reviews are completed. Both adjustments are effective January 1. Employees are entitled to an annual corporate incentive award, normally paid with the seventh pay. Members of the Agency's six-person board of directors receive a taxable honorarium for each of three meetings held every year.

In certain circumstances, the Agency pays professional fees for engineering and other studies commissioned on behalf of its client housing co-operatives. These recoverable disbursements are secured by promissory notes and assignments of the proceeds of secondary financing. About 50 such studies are commissioned each year.

The Agency banks with a [credit union in Ottawa](#).

The Agency's fiscal year end is December 31. A complete monthly financial statement and reconciliations of key balance-sheet accounts are produced monthly, except in January. The Agency engages an [independent financial auditor](#) to conduct an annual financial-statement audit. The audit is normally completed by the end of February, two months after fiscal year end.

4. Services to be Provided

As noted in Part 2 of this RFP, depending on the Proposals received, the Agency will choose either to contract for accounting services only or for both bookkeeping and accounting services.

Bookkeeping

The Agency's regular bookkeeping needs include invoicing and accounts receivable, banking, payroll and benefits administration, accounts payable and cash disbursements, audit co-ordination and maintenance of financial records and files.

Accounting

The Agency's regular accounting needs include supervising and providing guidance to the bookkeeping function, preparing general-journal entries, preparing the monthly financial statements and balance-sheet reconciliations, preparing HST returns and remittances, preparing for the annual audit and providing general accounting advice to Agency staff.

A detailed schedule of each of the above services appears in Appendix "A." It is expected that these services will be provided for a fixed monthly fee.

Other Services

From time to time, the service provider may be called upon to perform other services including but not limited to the design of new financial reports and forecasting cash flows. This work may be charged separately from the regular monthly services and billed on an hourly basis.

Electronic Records

The service provider will be required to maintain all bookkeeping and accounting records in electronic form.

Location and Availability

The service provider will work out of its own premises and will be responsible for equipping itself at its own expense to work in this environment. The service provider will report to the Agency's Manager, Finance and Facilities.

As the Manager, Finance and Facilities is based in Ottawa, it will be important for the service provider to be available during business hours in the Eastern time zone (9:00 a.m. to 5:00 p.m.).

Experience Required

Bidders should have significant experience in providing off-site contract bookkeeping and accounting services to small and medium non-profit organizations. All accounting-service work must be performed or supervised by a Chartered Professional Accountant. The service provider must ensure an appropriate segregation of duties among personnel assigned to the Agency account.

Quality of Service

The Agency holds itself to precise and demanding [Client Service and Satisfaction Standards](#) and expects that the successful Bidder will have a similarly strong commitment to client service. This includes a commitment to

- high-quality work governed by well-documented quality-control processes
- clear and professional communications
- continuous improvement.

Each year, for the duration of the Agreement with the Agency, the service provider will be asked to participate in a review of the service provider's services, with feedback solicited from those Agency employees with whom it works most. The renewal of this Agreement will be dependent on satisfactory service reviews. Similarly, the service provider will have the opportunity to comment on the performance of Agency employees on whose services its work depends.

Business Continuity

The Agency wishes to provide its clients with continuous service of high quality and to protect its employees and property at all times. To this end, it must plan for business continuity and be prepared for emergencies. It does so by maintaining Business Continuity and Disaster Recovery Plans encompassing measures for

responding to and recovering from events that cause or threaten to cause business interruptions.

Bidders are asked to describe any business-continuity and disaster-recovery policies and procedures that they have in place.

Special Requirements

The successful Bidder will be required to carry the following insurance:

- General Liability Insurance in an amount not less than \$2,000,000 for each occurrence
- Fidelity Bonding in an amount not less than \$500,000 for each occurrence
- Errors and Omissions insurance in the amount not less than \$500,000 for each occurrence
- Workers' Safety Insurance, if legally required.

5. Agreement for Services

The Successful Bidder(s) will be required to sign the Agency's standard long-form Agreement for Services, with any variations the parties may agree upon. A copy of the standard agreement is attached to this RFP.

Bidders should take particular note of the following paragraphs of Schedules A and B of the Agreement:

Schedule A

- Paragraph 13 dealing with security screening.

Schedule B

- Paragraphs 7 to 11 dealing with compliance with Agency policies regarding ethical conduct, client service, bilingual services, confidentiality and access to information, and privacy; specific requirements respecting ethical conduct; conflicts of interest and loyalty; and specific requirements respecting the protection of information.
- Paragraphs 13 to 15 requiring adequate staffing approved by the Agency.
- Paragraphs 16 and 17 requiring appropriate fax, voicemail, computer equipment and software, and Internet access.
- Paragraphs 24 to 28 respecting fidelity bonding, liability insurance, errors and omissions insurance and workers' safety insurance.

6. Proposal Submission Requirements

All Proposals must be presented in the following format, with no sections excluded.

Incomplete Proposals will not be considered.

Section 1: Introduction and General Information

This section of the Proposal should contain

- a summary of the Bidder's business operations, including how long it has been in business and how long it has provided similar services;
- a summary of the Bidder's understanding of the objectives and requirements of this RFP;
- an explanation of why the Bidder believes it is qualified to perform and complete the services requested under this RFP;
- confirmation that the Bidder has or can obtain the insurance coverage required under this RFP.

Section 2: Statement of Service

Bidders must provide a Statement of Service identifying and describing the services the Bidder proposes to provide. The statement must indicate clearly and precisely how the Agency's requirements, described in Part 4 of this RFP, will be met.

Section 3: Qualifications

This section should describe the Bidder's skills and experience in meeting requirements of similar scope to those specified in Part 4 of this RFP. It should name the person or persons who will perform the services and set out their qualifications. If the Bidder proposes to use any sub-contractors, those sub-contractors and their role should be disclosed.

As appropriate, Bidders should provide samples of previous work.

Bidders must submit three (3) references from customers that have used the Bidder's services in order to demonstrate their ability to deliver the services required.

Section 4: Sustainability

The Agency for Co-operative Housing seeks to respect and promote the principles of social, economic and environmental sustainability in all of its business activities. In its simplest terms, "sustainability" means "meeting the needs of the present generation without compromising the ability of future generations to meet their

needs.” (Brundtland Commission 1987) Bidders are asked to describe briefly how their business policies and practices are consistent with the principles of sustainability.

Section 5: Quote

The Bidder’s quote should indicate the proposed fee for the services provided, including any proposed adjustments to the fee over the service period, and any reimbursable expenses, appropriately itemized. As noted in Part 2 of this RFP, bookkeeping and accounting services, each as defined in Part 4 of this RFP, must be priced separately. The Proposal should indicate clearly on what basis the service is priced, i.e., hourly rate, daily rate or lump-sum for all services, and whether the price quoted is an estimate or a fixed price. Any optional services or Bidder-recommended services not listed in the requirements set out in Part 4 of this RFP should be listed and quoted separately from the main service. The quoted rates or lump sum must be guaranteed for at least two (2) months from the closing date of this RFP.

Section 6: Contract Form

Set out any requested changes to the standard Agency agreement form attached to this RFP. If no changes are proposed, indicate this.

N.B.: No changes to the agreement form proposed after the closing date of this RFP will be considered.

Section 7: Insurance Certificates

Enclose proof that all insurance coverage noted in this RFP as required is already held or will be available to the Bidder. If no workers’ safety insurance is required, indicate this.

Section 8: Security Clearances

Enclose any available evidence that the individuals who will provide the services requested under this RFP, whether members of the Bidder’s personnel or of the personnel of sub-contractors the Bidder will employ, have valid Security Clearances issued by the Government of Canada or indicate that security clearances will be sought.

7. Evaluation of Proposals

The Agency will review, evaluate and rank all Proposals received by the date and time indicated above and meeting the submission requirements established in Parts 6 and 9 of this RFP. Proposals will be evaluated against the following criteria:

- Is the Proposal of high-quality (e.g. well-organized, complete, demonstrates an understanding of the requirements)?
- Does the vendor meet basic requirements of being a qualified supplier (e.g. is financially viable, has qualified personnel)?
- Has the vendor put forward a cost-effective Proposal?
- Does the vendor have a successful track-record with clients similar in size and complexity to the Agency?
- Does the vendor have adequate accounting and bookkeeping processes and procedures in place, including quality assurance procedures?
- Does the vendor demonstrate a commitment to continuous improvement?
- Does the vendor demonstrate a commitment to superior client service?
- Does the vendor demonstrate a commitment to sustainability?
- Does the vendor have adequate business-continuity and disaster-recovery processes and procedures in place?

8. **Further Information**

All questions concerning this Request for Proposals should be directed to the following person:

Colin MacDougall, Manager, Special Projects
The Agency for Co-operative Housing
Tel: (613) 234-4557 ext. 602
Email address: cmacdougall@agency.coop

9. **Method of Submission**

Proposals made in response to this RFP will be accepted up to the [closing date and time](#) indicated above.

All Proposals must be submitted in electronic form (PDF) by e-mail to Colin MacDougall, cmacdougall@agency.coop. The Procurement Number must appear on the subject line of the e-mail message. The Bidder's name, the Procurement Number and the page number should be included on each page of the Proposal. Following the closing date, the Agency may ask Bidders to provide additional data or material to support their Proposals.

Proposals must be submitted in the form of a single PDF. Bids comprising multiple documents will not be considered. Proposals submitted by other than electronic means will not be considered.

10. **General Conditions**

Geographic Neutrality: The Agency will consider Proposals from Bidders resident anywhere in Canada who can provide the required services effectively on competitive terms.

Contract Award: The Agency anticipates making a single award under this solicitation. It may award a contract based on initial Proposals without discussion or following limited discussion or negotiations with one or more Bidders.

Limitation: This solicitation does not commit the Agency to awarding a contract, paying any costs incurred in preparing a Proposal, or procuring or contracting for services or supplies. The Agency reserves the right to accept or reject any or all Proposals received, to negotiate with all qualified Bidders, or to cancel in part or in its entirety the solicitation when it is in the Agency's best interest to do so.

Bidder Debriefing: The Agency will provide unsuccessful Bidders with an opportunity for a debriefing on the Proposal evaluation process and the Agency's choice of vendor. Depending on the volume of Proposals, debriefings may be offered individually or through a conference call to which all unsuccessful Bidders will be invited.

11. Appendices

- Appendix "A": Required Services
- Appendix "B": Agreement for Services

Appendix “A”: Bookkeeping and Accounting Services

The services below reflect the Agency’s current bookkeeping and accounting practices. The Agency is committed to process improvement in our bookkeeping and accounting functions, which could include a change in accounting platform. The Agency encourages Bidders to submit Proposals and pricing that ensure that the core accounting and bookkeeping requirements are met, **even if the practices proposed do not mirror the Agency’s existing practices.**

If Bidders see an opportunity for process change and automation that may lead to future efficiency and ultimately cost savings to the Agency, please specify this in the Proposal.

REGULAR BOOKEEPING SERVICES

Accounts Payable

- Review coding of an estimated 70 invoices and expense claims each month in the Sage Accounts Payable Automation module for accuracy, following up as necessary to make corrections or obtain any missing information.
- Post accounts payable.
- Issue an estimated 70 EFT cash disbursements a month through EFT Canada website.
- Process an estimated four EFT transactions per month for payments required on an urgent basis.

Accounts Receivable

- Issue an estimated 15 invoices each month for Agency services and professional studies to client co-operatives and other parties.
- Enter and post accounts receivable and cash receipts, including receipt of quarterly fee from CMHC.

Banking

- Record and make all bank deposits.
- Reconcile bank statement monthly.

Payroll and Benefits Administration

- Prepare payroll-change authorizations for signature for new hires, terminations, salary changes, and changes in benefit entitlements and rates.

- Process an estimated six new hires each year.
- Enrol new hires in the Agency's pension and benefit plans.
- Prepare Records of Employment and process termination pay for an estimated six employees each year.
- Advise benefit and pension providers of employee terminations.
- Calculate benefits due to employees under the Agency's Supplemental Employment Benefits Plan, when applicable (one person every few years).
- Submit information electronically to the Agency's external payroll service bureau.
- Review and verify payroll reports received from the service bureau, obtain corrections as necessary and forward to the Agency for approval.
- Assign user IDs and passwords to employees to give them access to pay stubs and other reports maintained on the external payroll service bureau's website.
- Oversee the payroll service bureau's preparation and distribution of T4s to employees and directors.
- Prepare and distribute T4As for approximately 25 independent contractors.
- Prepare and distribute T2200 forms for an estimated ten home-based employees, when required.
- Remit provincial health taxes and premiums.
- Remit contributions monthly to the Agency's defined-contribution pension plan.
- Review and reconcile monthly employee benefit plan charges.
- Reconcile remittances to the Canada Revenue Agency.

Maintenance of Financial Records and Files

- Provide to the Agency each month the general ledger, trial balance, financial statements and balance-sheet account reconciliations in electronic format.

General

- Reconcile all balance-sheet accounts monthly.
- Enter current-year budget figures for all income-statement accounts annually.

REGULAR ACCOUNTING SERVICES

Monthly Accounting

- Prepare and post monthly payroll-journal entry.
- Prepare and post recurring journal entries for the monthly CMHC fee earned, depreciation charges and prepaid expenses and accruals.
- Prepare and post monthly general journal entries to record bank charges, interest earned, direct deposits, payroll-service charges, changes to the allowance for doubtful accounts and inter-fund transfers.
- Produce and review the monthly general ledger.
- Record and post correcting entries, as required.

Financial-Statement Preparation

- Update financial-statement specifications in Sage 300 as necessary for changes to the Agency's chart of accounts and monthly financial-statement template.
- Upon request, design and prepare specifications for new financial reports.
- Ensure that budget figures for all income-statement accounts have been entered correctly.
- Produce monthly financial statements, review supporting reconciliations of balance-sheet accounts and deliver to the Agency no later than the 21st day of the following month.

H.S.T. Remittances and Reports

- Prepare and reconcile quarterly HST remittances and input-tax credit claims.

Capital Spending

- Maintain and regularly update a capital-spending file, obtaining information from the Agency's Manager, Finance and Facilities, as necessary.

Audit Preparation and Co-ordination

- Liaise with the Agency's external auditor.
- Complete the auditor's questionnaire.
- Obtain third-party confirmations and reconcile all balance-sheet accounts.

- Reconcile major expense items, including salaries and benefits.
- Prepare draft annual financial statements, including statement notes.
- Prepare a file for the external auditor containing the statements, accountant's electronic working papers records and other supporting evidence.

General

- Oversee the bookkeeping function, whether performed by the Agency or the service provider.
- Liaise with the Agency's Manager, Finance and Facilities.
- Provide general advice on the Agency's accounting policies and requirements and answer enquiries from designated agency personnel.
- Attend a monthly video conference meeting with designated agency personnel.
- Maintain chart of accounts.
- File with the Canada Revenue Agency income-tax and NPO returns prepared by the external auditor.

OTHER SERVICES

- Assist Agency management in verifying annual range-movement and salary-progression increases, annual corporate incentive awards and overtime and vacation payout amounts.
- Assist with process improvement initiatives and systems implementation.

Appendix “B”: Agreement for Services



The Agency for Co-operative Housing
L'Agence des coopératives d'habitation

AGREEMENT FOR SERVICES

PROCUREMENT NUMBER: [ENTER NUMBER]

THIS AGREEMENT IS MADE AS OF SELECT DATE BETWEEN

THE AGENCY FOR CO-OPERATIVE HOUSING
190 O'Connor Street, 6th Floor
Ottawa, Ontario K2P 2R3

Phone: (613) 234-4557

E-mail: procurement@agency.coop

(the "Agency")

—AND—

[Contractor Name]

[Contractor Address]

Phone: [Contractor Phone]

E-mail: [Contractor Email]

(the "Contractor")

1. **Services:** The Contractor agrees to perform the services set out in Schedule A (the "Services").
2. **Reporting:** The Contractor will report to the Agency officer ("Reporting Officer") identified in Schedule A. Only the Reporting Officer, or a person designated by the Reporting Officer, is authorized to give directions to the Contractor.
3. **Term:** The term of this Agreement is as stated in Schedule A.
4. **Payment:** The Agency agrees to pay for the Services as provided in Schedule A.

Contractor Initials:

Agency Initials:

- 5. **General terms:** The parties will observe the terms and provisions set out in Schedule A.
- 6. **Proposal:** Any of the following that are applicable are attached as Schedule C and form part of this Agreement: the Agency’s Request for Proposals for these Services, the Proposal by the Contractor and relevant correspondence.
- 7. **Schedules:** This document is called the Contract. The Contract and the Schedules to the Contract form the Agreement between the Agency and the Contractor. In the event of any conflict, the Contract will govern over all Schedules, Schedule A: Specific Terms will govern over Schedule B: Terms and Provisions, and Schedule B: Terms and Provisions will govern over Schedule C: proposal Documents.

SIGNED:

THE AGENCY FOR CO-OPERATIVE HOUSING

By:

Insert Name

Insert Title

I have authority to bind the Agency.

[CONTRACTOR NAME]

By:

Insert Name

Insert Title

I have authority to bind the Contractor.

Contractor Initials:

Agency Initials:

SCHEDULE A**SPECIFIC TERMS**

1. **Description of Services:** *Enter description of services to be provided.*
2. **Level of services:** *Include any relevant information, e.g., specific days and times when service is to be provided, maximum turnaround times, etc. If there is nothing to include here, do not delete the paragraph but instead select Not applicable.*
3. **Term:** The term of this Agreement will begin on *Select start date* and end on *Select end date.* *Include only if the competitive procurement process provided expressly for a renewal at the Agency's discretion.* *Select the appropriate option.*
4. **Reporting:** The Reporting Officer is the Agency's *Insert full title, e.g., Director, Operations, not name.*
5. **Agency directions:** Directions to the Contractor to proceed with work must be given in writing. Specific directions, changes and explanations may be communicated orally.
6. **Fees:** *Select and complete one of the available options (click the tab to make a selection).*
7. **General expenses:** The Agency will pay the Contractor's expenses and disbursements only as stated in the next paragraph and in Schedule B or as approved in advance in writing. All other expenses and any administrative or home-office expenses are included in the fee. The Contractor will issue invoices for permissible expenses at the same time as it issues invoices for fees. The Agency is not required to honour late expense claims. Receipts must be provided for all expenses invoiced, except for public-transit expenses; kilometrage; and internal copying, printing and postage.
8. **Specific additional expenses:** *Enter any additional expenses the Agency has explicitly agreed to pay that are not set out in Schedule B. If there are none, select None.*
9. **Timing of payment:** *Select and complete as necessary one of the available options (click the tab to make a selection).*
10. **Contractor's costs:** Except as may be stated in the next paragraph, the fee under paragraph 7 includes all personnel costs, administrative costs, overhead and indirect costs of the Contractor. The Agency will have no obligation to pay for any of these.

Contractor Initials:

Agency Initials:

11. **Facilities to be provided by the Agency:** *If the Agency is providing office space or secretarial support, indicate that here. If there is nothing to include, do not delete the paragraph but instead choose: None.*

12. **Contractor's personnel:** The Contractor will provide all personnel reasonably necessary to perform the Services. The Contractor will ensure that all members of its staff providing Services to the Agency are fully qualified to provide the Services and, as applicable, meet any qualifications stated in any applicable Request for Proposals.

The following paragraphs are optional. Include them if relevant, otherwise delete this text.

13. **Security screening:**

- (a) At any time, on written notice to the Contractor, the Agency in its sole discretion may require a Government of Canada security clearance to the level determined by the Agency ("Security Clearance") of the Contractor and each individual employee or subcontractor of the Contractor who will perform any obligation under this Agreement on the Contractor's behalf.
- (b) If the Agency requests a Security Clearance for any individual who will perform any obligation under this Agreement, the Contractor will deliver without delay to the Agency with respect to that individual
 - (i) evidence that the individual has a valid Security Clearance issued by the Government of Canada; or
 - (ii) a signed application for a Security Clearance in the form required by the Government of Canada and all required supporting information to obtain the Security Clearance.
- (c) If, for any reason, the Contractor or the Agency is unable to obtain a Security Clearance with respect to any individual who will perform any obligation under this Agreement (including, but not limited to the Contractor's failure to perform its obligations under paragraph 16 (b), or the refusal of the Government of Canada to issue a Security Clearance for the individual for any reason), then the Agency may terminate this Agreement immediately on written notice to the Contractor, without penalty or damages other than payment for services performed prior to the termination.

End of Schedule A

Contractor Initials:

Agency Initials:

SCHEDULE B

TERMS AND PROVISIONS

PERFORMANCE REQUIREMENTS

1. **Standard of performance:** The Contractor will perform the Services in accordance with normally accepted professional standards of care, diligence and skill for similar services.
2. **Directions of Agency:** The Contractor will act according to specific directions from the Agency.
3. **Legal requirements:** The Contractor will comply with all legal requirements governing the Contractor and its provision of the Services.
4. **Signing and spending authority:** The Contractor will not have signing authority or any right to commit the Agency to any contract or expense or to anything else unless authorized in writing by the Reporting Officer or as stated in Schedule A.
5. **Agency property:** The Contractor will take reasonable precautions to protect the Agency's files and information and other Agency property in its possession or in the possession of its staff during the term of this Agreement.
6. **Annual evaluation:** If this Agreement has a term of longer than one year then, two months before the anniversary date of the Contract, the Agency and the Contractor may together conduct an evaluation of the Services provided. The purpose of the evaluation is to assist the Contractor in providing high-quality services and to resolve any problems in the performance of the Services identified by the Agency or the Contractor.

COMPLIANCE WITH AGENCY POLICIES

7. **Compliance with Agency policies:**
 - (a) The Contractor will perform the Services in a way that complies with the applicable parts of the following Agency policies:
 - (i) Ethical Conduct Policy
 - (ii) Client Service Policy
 - (iii) Bilingual Services Policy
 - (iv) Confidentiality and Access to Information Policy

Contractor Initials:

Agency Initials:

- (v) Privacy Policy
 - (vi) Sustainability Policy
- (b) The Agency may notify the Contractor of other Agency policies relevant to the Services with which the Contractor must comply. The Agency's policies are available at <http://www.agency.coop> or upon request from the Agency.
- (c) If the Contractor becomes aware of any way in which the Contractor or the Agency has not complied with any Agency policies, it will promptly notify the Reporting Officer in writing, making any suggestions for dealing with the situation.
8. **Ethical Conduct Policy:** The Contractor and all members of its staff will comply with the Agency's Ethical Conduct Policy. They must conduct themselves at all times so as not to cause embarrassment to the Agency or bring its good name or that of its government clients into disrepute.
9. **Conflicts of interest or loyalty:**
- (a) The Contractor, any subcontractor authorized under this Agreement to deliver any part of the Services, and all members of their staffs must be free from real or perceived conflicts of interest or loyalty.
 - (b) Where the Services involve helping, analysing, inspecting, dealing with or otherwise being concerned with a housing co-operative, the Contractor, each member of the Contractor's staff and the spouses of the Contractor and of each member of its staff must not be a member, director, officer or employee of
 - (i) that housing co-operative;
 - (ii) an organization with which that co-operative has a service contract, such as a property management contract; or
 - (iii) an organization representing or supporting that co-operative in a dispute with the Agency or one of the Agency's government clients.
 - (c) The Contractor may make a written request for a review of any situation where an actual or perceived conflict appears remote and insignificant. This includes any situation mentioned in the two preceding paragraphs. The Agency may authorize the situation if it does not deem the situation inappropriate or contrary to the Agency's policies.

Contractor Initials:

Agency Initials:

10. Information:

- (a) The Contractor and all members of its staff will comply with the Agency's Confidentiality and Access to Information Policy and with the Agency's Privacy Policy (the Information Policies) and will, without limitation
 - (i) collect and use information only as allowed under the Information Policies;
 - (ii) safeguard information as required under the Information Policies;
 - (iii) neither disclose nor permit the disclosure of information covered by the Information Policies, where prohibited under the Information Policies, except with the written consent of the organization or individual concerned.
- (b) In the performance of its duties, the Contractor will perform the Agency's responsibilities under the Information Policies on behalf of the Agency. Exceptions are:
 - (i) The Contractor will obtain authorization from the Reporting Officer or the Agency's Director, Corporate Services before making any disclosure as contemplated in the Privacy Policy.
 - (ii) The Contractor will observe the provisions of the Privacy Policy regarding retention and destruction of personal information in its possession. On termination of this Agreement, however, it will deliver all personal information and other information in its possession or control to the Agency.
- (c) At the Agency's request, the Contractor and each member of its staff providing the Services will sign a confidentiality and information agreement. The form and content of the agreement will be consistent with the Agency policies.
- (d) The use and disclosure of the confidential information shall not apply to information which (a) was known to the Contractor before receipt of same from the Agency; or (b) becomes publicly known other than through the Contractor; or (c) is disclosed pursuant to the requirements of a governmental authority or judicial order.

11. Intellectual property:

- (a) All intellectual property created through or in connection with the performance of the Services will be the property of the Agency and the Contractor hereby assigns all rights in all such intellectual property to the

Contractor Initials:

Agency Initials:

Agency and waives all moral rights in the intellectual property in favour of the Agency and its assigns. The Contractor and each member of its staff providing services to the Agency will sign any documents requested by the Agency to give effect to this paragraph.

- (b) “Intellectual property” includes patents, trademarks, copyrights, industrial designs and trade secrets, including in publications, videos, software and electronic information, training materials, research reports or general information about the Agency’s programs.

CONTRACTOR’S STAFFING AND EQUIPMENT

12. **Staffing:** References in this Agreement to the Contractor’s personnel or staff will refer to any party performing any part of the Services, regardless of that party’s relationship to the Contractor. The Contractor’s staff includes subcontractors and their staff. If the Contractor is an individual, references in this Agreement to the Contractor’s personnel or staff will include that individual. If the Contractor is not an individual, references in this Agreement to the Contractor’s personnel or staff will include all principals of the Contractor, as well as any other personnel or staff members.
13. **Availability of staff:** If Schedule A provides specific times, or time ranges, for performance of the Services, the Contractor must ensure that its personnel are available at such times. When the Contractor’s personnel are not available due to vacations, illness, or other reasons, the Contractor will provide replacements satisfactory to the Agency at no additional cost. Any requirement under Schedule A for the Agency’s prior written approval of personnel changes will apply to substitutions of more than five working days.
14. **Staffing costs:** The cost of the Contractor’s personnel and all payments in respect of such personnel, including such things as salary or wages, benefits, payroll taxes, employment insurance, income tax, Canada or Quebec Pension Plan, Workers’ Safety Insurance and Compensation, vacations and leaves, will be borne exclusively by the Contractor and not charged back to the Agency. The Contractor will indemnify and save the Agency harmless from any such cost or expense and any fines or penalties arising from non-payment or late payment. The Contractor will, on the Agency’s written request, promptly provide the Agency with proof of payment of such items and proof that there will be no liability on the part of the Agency.
15. **Administrative costs:** Except as stated in Schedule A, all administrative costs of the Contractor, including such things as a home or other office, telephone and Internet access and all other facilities, equipment and supplies, will be borne exclusively by the Contractor and not charged back to the Agency.

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16. **Contractor's equipment:** The Contractor and all of its personnel providing services to the Agency must have access to appropriate equipment. This will in all cases include (without limitation):
- (a) an answering machine or voicemail service;
 - (b) high-speed Internet access;
 - (c) computer equipment and software sufficient to perform the Services efficiently.
17. All electronic materials prepared for the Agency must be delivered in the appropriate Microsoft Office software or other software specified by the Agency.

PERMISSIBLE EXPENSE CHARGES

18. **Travel:** The Agency will reimburse the Contractor for reasonable and necessary transportation and travel expenses incurred in the performance by its personnel of the Services. This will not include transportation to and from the Contractor's office or ordinary worksite or to and from housing projects in the community in which the Contractor is located, unless reimbursement is provided in Schedule A or has been previously authorized in writing. Reimbursement will be limited to the following:
- (a) kilometrage for use of a vehicle of the Contractor or its personnel, at the rate established from time to time by the National Joint Council of the Public Service of Canada for the province in which the Services are provided;
 - (b) the cost of air, rail or bus travel, as appropriate;
 - (c) hotel accommodation, when necessary;
 - (d) the Agency's standard meal and incidental-expense allowance for each member of the Contractor's staff when travelling outside of the staff member's locality;
 - (e) taxi or parking costs;
 - (f) car-rental costs.

The Contractor is expected to take advantage of reduced airfares whenever possible. The Agency will only pay for full economy-class airfare when lower-cost fares are unavailable. First-class train travel is acceptable. At the Agency's discretion, hotel accommodation is to be arranged by Agency staff or, if not, by the Contractor. Hotel accommodation will be of an appropriate standard for a service agency for non-profit organizations, as reasonably determined by the Agency.

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19. **Other expenses:** The Agency will reimburse the Contractor for the actual cost of reasonable and necessary copying, printing, postage and courier, and long-distance telephone charges (including for facsimiles).

LIABILITY AND INSURANCE

20. **Contractor's responsibility for Claims against the Agency:** The Contractor will be responsible for Claims against any or all of the Agency, Canada Mortgage and Housing Corporation (CMHC), and any personnel, members or directors of either, to the extent caused by the negligence, wrongful act or omission of the Contractor or any of its personnel.
21. **Agency's responsibility for Claims against the Contractor:** The Agency will be responsible for Claims against any or all of the Contractor or any member of its staff arising during the course of the performance of the Services, but only to the extent that (i) such Claims are not caused by the negligence, wrongful act or omission of the Contractor or any member of its staff, (ii) such Claims are not covered by the Contractor's insurance, and (iii) such Claims would not be covered if the Contractor maintained the insurance required under this Agreement.
22. **Claims:** A "Claim" under this Agreement includes a legal proceeding or any other kind of liability whether or not it could result in an award of money for damage or injury to persons or property or anything else. It includes a complaint that could lead to a fine or penalty. This indemnity will include the estate of any individual referred to in the two preceding paragraphs. Whichever party is responsible for the Claim will pay the reasonable legal and other costs of dealing with the Claim and will pay the Claim, if valid, or any reasonable compromise.
23. **Responsibility for Contractor's staff:** Any losses to the Agency or CMHC due to dishonesty of the Contractor or any member of its staff (whether or not covered by a fidelity bond or employee dishonesty insurance of the Contractor) will be the responsibility of the Contractor. The Contractor's responsibility will not be reduced because of any contributory negligence, collusion or any other action or inaction by the Agency, CMHC or any member of their staff.
24. **Contractor's fidelity bond:** If required under the Contract, Schedule A, Schedule C, or elsewhere in this Agreement, the Contractor will maintain a fidelity bond or equivalent employee dishonesty insurance coverage in an amount not less than One Hundred Thousand Dollars for each occurrence, covering the Contractor and all of its personnel dealing with the Agency's money or valuable property. No Claims resulting from the dishonesty of any personnel of the Contractor will be made against the Agency's insurance.

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25. **Contractor's general liability insurance:** The Contractor will maintain general liability insurance in an amount of not less than Two Million Dollars for each occurrence.
26. **Contractor's errors and omissions insurance:** If the Contractor is a professional, the Contractor will maintain errors and omissions insurance in compliance with any legal requirement or any requirement of a professional governing body or association. Whether or not the Contractor is a professional, the Contractor will maintain errors and omissions insurance if required under the Contract, Schedule A, Schedule C, or elsewhere in this Agreement.
27. **Insurance provisions:** The fidelity bond, liability insurance and errors and omissions insurance, if possible, will show the Agency and CMHC as additional insureds and will contain a clause saying that the policy cannot be terminated by either the insurer or the Contractor unless at least two months' written notice is given to the Agency. The liability insurance policy will include technical provisions known as "severability of interests" and "cross liability among insureds."
28. **Workers' Safety Insurance:** The Contractor will maintain any workplace safety insurance or workers' compensation insurance ("Workers' Safety Insurance") that is legally required by the appropriate government or government-designated body in the relevant province.
29. **Proof of insurance:** The Contractor will deliver to the Agency a certificate or other proof of the Contractor's fidelity bond, liability insurance, errors and omissions insurance and Workers' Safety Insurance coverage, as applicable, at the time of signing this Agreement and at other times requested by the Agency. It will also, on request, deliver a Workers' Safety Insurance clearance certificate to indicate that there can be no claim against the Agency if such a certificate is required or available in the relevant province.
30. **Contractor's representation and warranty:** The Contractor represents and warrants to the Agency that the Contractor has no knowledge of anything relating to the Contractor or its personnel that would affect the Agency's ability to obtain any insurance or bond of any kind or that would increase the premiums.
31. **Health and safety:** The Contractor has the right to refuse to do work at any housing co-operative where it has reason to believe there is a danger to anyone or a lack of compliance with applicable legal requirements relating to health and safety at the workplace or in performance of the work. The Contractor will immediately inform the Reporting Officer of such a circumstance. Any procedure required by law in the relevant province will be followed.

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32. **Protective clothing:** When appropriate in the circumstances, the Contractor will without charge provide protective clothing and personal equipment to its personnel including, as applicable, such things as CSA-approved footwear, safety glasses, masks and gloves.

TERMINATION

33. **No automatic renewal:** If this Agreement is not renewed or extended by written agreement and the Contractor continues to provide the Services, this Agreement will be deemed to continue on a month-to-month basis on the same terms and provisions.
34. **Termination:** Unless Schedule A states that this paragraph does not apply, either party may terminate this Agreement at any time on two months' prior written notice to the other.
35. **Default:** If either party is in default under this Agreement, the other party may terminate this Agreement on seven days' written notice. The notice will describe the default in reasonable detail. The termination will not take place if the default is curable and is cured within the seven days. During the seven days the parties may use the dispute-resolution processes set out in this Agreement, but that will not extend the seven-day period unless the parties agree otherwise in writing.
36. **Services and payment during notice period:**
- (a) If this Agreement provides for Services on a regular basis, the Contractor will continue to provide the Services until the termination date and the Agency will pay the Contractor's normal fees and expenses for all Services performed until the termination date.
 - (b) If this Agreement provides for Services as requested or assigned by the Agency, the Agency has no obligation to request or assign Services during the notice period. It will pay the Contractor's normal fees and expenses for all Services that it has requested or assigned and that are performed until the termination date.
 - (c) If this Agreement provides for deliverables, the Contractor will continue to work on the deliverables until the termination date and the Agency will pay the Contractor's normal fees and expenses for the deliverables that are provided to it on or before the termination date. If the Agency has terminated for default, this payment may be reduced by a reasonable amount if the deliverables are not in a state where the value to the Agency is commensurate with the cost.

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- (d) If the Agency terminates this Agreement for default and it is later determined that the Contractor was not in default, then the maximum liability of the Agency for damages or losses due to the termination will equal the payments that the Agency would have been required to make during the notice period under this paragraph if the Agency had terminated this Agreement on notice without default.
37. **Reduced notice:** The Agency may terminate this Agreement with no notice or with less notice than stated earlier in this Agreement. In that case the preceding paragraph will apply until the termination date. In addition, the Agency will make a reasonable payment to cover the Contractor's losses until the end of the notice period required above (not exceeding what the Agency would have been required to pay if it had given the full notice stated under this Agreement).
38. **Amounts owing by Contractor:** The Agency may deduct from payments due to the Contractor any amounts owing to the Agency, including amounts for damages due to default by the Contractor.
39. **Final report:** If requested by the Agency or stated in the description of the Services, immediately after the termination of this Agreement the Contractor will prepare a final report providing all information that would normally be given to the Agency under this Agreement.
40. **Audit:** The Contractor will without charge co-operate fully with the Agency's representatives in performing any audit or investigation that may be required by CMHC, the Agency or the Auditor General of Canada for any period prior to termination of this Agreement.
41. **Delivery of Agency Property:** On termination of this Agreement, the Contractor will deliver everything in its possession, power or control that (i) belongs to the Agency, (ii) the Contractor received from the Agency, or (iii) the Contractor created for the Agency, including all tangible property and all information and data, including all information about CMHC, housing co operatives or their residents. The Contractor will destroy all copies of Agency-provided information and data, after providing a copy to the Agency. Notwithstanding the foregoing, the Contractor may keep one copy, for archiving purposes, of all non-personal information relevant to any report, conclusions or recommendations prepared by the Contractor provided it respects the requirements of this Agreement respecting confidentiality.
42. **Surviving obligations:** Some parts of this Agreement will continue after termination. These include, among other things, any obligations not fully performed under this Agreement, such as financial payments or adjustments, the

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confidentiality and indemnification obligations, and any obligations arising out of a default.

DISPUTE RESOLUTION

43. **Informal dispute resolution:** The parties will use their best efforts to resolve any dispute arising under this Agreement informally, through personal contacts. Any written complaint by the Contractor will be reviewed by the Agency's Chief Executive Officer, who may suggest that a mutually acceptable third party meet with the disputant and an Agency representative on an informal basis to resolve the dispute.
44. **Mediation:** The parties will consider non-binding mediation as a way to resolve their differences. They will do this prior to any arbitration.
45. **Compulsory arbitration:** All disputes under this Agreement that are not resolved informally or through mediation are hereby submitted to decision by an arbitrator, as described in this Schedule.
46. **Written notice to arbitrate:** Either party may give the other a written notice to arbitrate. The notice must contain reasonable details of the issue. Within seven days after delivery of the notice, the parties or their lawyers will agree on an arbitrator. If they do not, either party may apply to the courts for appointment of an arbitrator.
47. **Procedure:** The arbitrator will set the procedure for the arbitration in accordance with the Ontario *Arbitration Act*.
48. **Does not apply to discretions:** The purpose of arbitration is to decide on the rights of the parties, not to substitute the judgment of the arbitrator for that of either party. Therefore, compulsory arbitration does not apply to a decision under any part of this Agreement where either party has discretion.
49. **Termination of Agreement:** If this Agreement has been terminated, the arbitrator will not have the authority to reinstate the Contract or the Contractor. However, the arbitrator can award the proper amount owing to the Contractor under this Agreement.
50. **Arbitrator's decision final:** The arbitrator will make a decision as soon as possible and give a copy of the decision to each party. That decision will be final and binding on the parties and will not be subject to appeal.
51. **Arbitration Act governs:** Except as stated in this Agreement, the arbitration will proceed in all respects in accordance with the provisions of the Ontario *Arbitration Act*.

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52. **Costs:** The arbitrator will decide who will pay the costs of the proceeding, depending on the merits of their position, including arbitrator's fees, charges and expenses and the parties' legal and other costs.
53. **Confidentiality:** To the extent permitted by the *Arbitration Act*, the arbitration proceedings and decision will be confidential between the parties.
54. **Continuation of service:** Unless the parties agree to something else, during the resolution of any dispute (except where this Agreement has been terminated) the Contractor will continue to provide the Services to the Agency as required under this Agreement. If the dispute relates to the nature or performance of the Services, then the Agency will issue written directions about this and the Contractor will observe those directions. If the arbitrator's decision or other resolution of the dispute indicates that the Agency's position was wrong, the arbitrator's decision or other resolution will provide appropriate compensation to the Contractor.
55. **Actions outside of arbitration:** At any time during the arbitration process, the parties may sign a written settlement of their differences and cancel the arbitration. At any time during the arbitration process, either party may take actions it considers appropriate, such as termination of the Agreement. There will be no penalty for taking such actions during an arbitration, provided the actions are legally permitted under this Agreement.

MISCELLANEOUS

56. **Relationship of parties:** Nothing in this Agreement will create any partnership, joint venture, agency, trust, employment or other relationship between the parties. The parties' relations are entirely contractual, as stated in this Agreement. The Contractor is an independent contractor and not an employee. Neither of the parties has the authority to bind the other or to commit it in any way, except as specifically stated in this Agreement. Nothing in this Agreement will give any right to any third party to bring any action or to make any claim against either of the parties to this Agreement.
57. **No exclusivity:** The Agency may obtain similar services from other parties and the Contractor may provide similar services to other parties.
58. **Entire agreement:** This Agreement and the documents and materials referred to in this Agreement contain the entire agreement between the parties. No change or waiver under this Agreement will be binding unless it is in writing and signed by the party that is bound by it.
59. **Applicable law:** This Agreement will be construed in accordance with and governed by the laws of Ontario, except where otherwise stated in this Agreement.

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60. **Partial invalidity:** If any part of this Agreement is held invalid or unenforceable by any court or arbitrator, the remainder of this Agreement will not be affected, but will remain in full force.
61. **Interpretation:** All provisions of this Agreement creating obligations on either party will be considered to be covenants. This Agreement will be read with all changes of gender or number required by the context. Section and paragraph headings do not affect the interpretation of this Agreement. Time will be in all respects of the essence of this Agreement. The Services referred to in this Agreement may include the provision of goods.
62. **Waivers:** No supplement, amendment or waiver under this Agreement will be binding unless in writing and signed by the party to be bound by it and unless it expressly states that it supplements, amends or waives this Agreement. No waiver by a party of any provision of this Agreement will be considered a waiver of any other provision or a continuing waiver. No failure to enforce or insist upon any provision of this Agreement by either party will constitute a waiver of that provision on any future occasion.
63. **Assignment and subcontracting:** Neither party may assign or subcontract this Agreement or any interest in it or the rights and responsibilities under it without the prior written consent of the other. Subject to the foregoing, this Agreement will be binding upon and operate for the benefit of the parties and their successors and assigns.
64. **Change in control:** If the Contractor is a corporation, it will give notice to the Agency of any change in control of the Contractor. If the Contractor is a partnership, it will give notice to the Agency of any new partner or anyone ceasing to be a partner.
65. **Business interruption:** Neither party will be liable for any delay due to a business interruption because of a systems breakdown, natural disaster or other *force majeure*. The Contractor will follow all directions of the Agency respecting provision of the Services during such delay.
66. **Notice:** Any notice under this Agreement may be given by personal delivery, by prepaid registered mail or by electronic mail to the addresses or numbers stated on page 1 of the Contract. In the case of the Agency the notice must be addressed to the Manager, Finance and Facilities. Either party may change its address for notice by a notice given under this paragraph.

A notice or other document sent by prepaid registered mail will be deemed to have been delivered on the fifth day after mailing unless there is a general interruption of

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mail services. No other notice or other document will be deemed to have been given or delivered until actually received.

Ordinary operational communications between the Contractor and the Agency may be addressed by the Contractor to the Reporting Officer.

67. **E-mails:** Any notice or statement by either party that is received by the other by e mail will be deemed to be a notice in writing.
68. **Signing this Agreement:** This Agreement may be signed by electronic signature.
69. **Status of this Agreement:** This Agreement replaces all previous contracts, arrangements and understandings for the Services between the parties. In the event of any conflict, this Agreement will have priority over any purchase order, order acknowledgment, receipt, standard terms of sale or services or similar document used by the Contractor, whether signed before or after this Agreement, unless it is signed by authorized signing officers of the Agency and states that it amends or supersedes this Agreement and specifically refers to this Agreement by date and as otherwise appropriate.
70. The Contractor and the Agency acknowledge that this Agreement is not being signed under any form of compulsion or duress and that the Contractor and the Agency have had an opportunity to obtain legal or other advice and to try to negotiate changes.

End of Schedule B

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SCHEDULE C

PROPOSAL DOCUMENTS

List and attach any of the following or any other documents that are applicable:

- Request for Proposals by Agency dated *Select date*
- Proposal by the Contractor dated *Select date*
- Correspondence:
 - (a) *List Correspondence and date (i.e. Contractor email dated yyyy-mm-dd)*

End of Schedule C

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