

**Message from Dexter King, Director, Strategic Procurement Services  
May 9, 2024**

**Important Changes effective April 1, 2024: Implementing the *Building Ontario Businesses Initiative Act (BOBIA)* for Purchases under \$121,200**

Effective April 1, 2024, the University is required to comply with the [\*Building Ontario Businesses Initiative Act\*](#). BOBIA requires the University to give preference to Ontario businesses in certain procurements. An Ontario business is defined under BOBIA as any supplier, manufacturer, or distributor that conducts its activities on a permanent basis in Ontario; and, at the time of procurement, has its headquarters or main office in Ontario, or has at least 250 full-time employees in Ontario. **Purchases from non-Ontario businesses will be permitted with appropriate justification; new evaluation processes, documentation requirements, and reporting obligations will apply.**

For purchases exceeding \$121,200 (pre-tax), Strategic Procurement Services will work with departments during the RFP process to ensure compliance with existing trade agreements, and to appropriately document any approved exemptions. **For purchases under \$121,200, departments will be required to collect additional information from vendors at the point of obtaining quotes and to submit that additional information to SmartBuy alongside the Vendor Quote Solicitation Form.**

Strategic Procurement Services will support your BOBIA compliance by sharing tools, templates and will, as soon as possible, launch an up-to-date online database of suppliers categorized as Ontario businesses under BOBIA. We are available to assist and address any questions you may have. Questions may be sent directly to Strategic Procurement Services at [purchase@yorku.ca](mailto:purchase@yorku.ca).

### **How to Comply with BOBIA**

When purchasing goods or services under \$121,200, departments will be required to comply with BOBIA via one of the following methods. Where possible, we have aligned these new requirements with existing processes to minimize the administrative burden of compliance with the new regulations.

**Option 1: Award to an Ontario Business.** Determine if one or more Ontario businesses are available to meet your business requirements. You do not need to independently validate the status of an Ontario business; rather, you must ask the vendor to attest whether they are an Ontario business. This can be documented on the [Vendor Quote Solicitation template](#) available from the Strategic Procurement Services website.

**Option 2: Give Ontario Businesses Preference in Evaluation.** If both Ontario businesses and non-Ontario businesses are invited to quote, include a 10% preference for Ontario businesses in your evaluation criteria. Document your decision criteria and evaluation (see Appendix A for an example) and complete a Non-Ontario Business Justification (NOBJ) form (see Appendix C) if a non-Ontario business is selected.

**Option 3: Document an Approved Exemption.** If the goods or services fall into an exempt category or are unavailable from an Ontario business, you must document the exemption on the Non-Ontario Business Justification form (see Appendix C). Specific categories of exemption include:

- Procurement of Legal Services or Treasury Services (related to the management of financial assets and liabilities, such as debt management, risk management, cash management, banking, or investing);
- Goods or Services procured for commercial sale or resale or for use in the production of a good or service intended for commercial sale or resale;
- Purchases made using an existing Vendor of Record. A [list of Vendors of Record](#) is available on the Strategic Procurement website.
- Emergency Circumstances (defined as a situation or impending situation that could result in serious harm to persons or substantial damage to property); or
- Procurement of goods or services which are not available from an Ontario business, or if the goods or services provided by Ontario businesses do not meet the University's needs.

### Records and Reporting

For small dollar value (<\$25,000 pre-tax) purchases using a University Purchasing Card you will not need to submit accompanying documentation through SmartBuy but you must keep a record of all purchases to Ontario and non-Ontario businesses using the Ontario Business Attestation form (Appendix B) and, if applicable, the Non-Ontario Business Justification form (NOBJ) (Appendix C). For all other purchases under \$121,200, purchasers must submit documentation regarding the vendor's status in Ontario, and any evaluation criteria supporting award to a non-Ontario business, in SmartBuy for non-Catalogue Purchase Requisition.

**SUMMARY OF NEW BOBIA COMPLIANCE REQUIREMENTS BY PROCUREMENT TYPE AND METHOD**

<b>THRESHOLD</b>	<b>HOW TO APPLY BOBIA</b>	<b>DOCUMENTATION REQUIRED</b>	<b>BOBIA EXEMPTIONS</b>
<p><b>Under \$25,000</b></p> <p>Procurement Method: PCard</p> <p>Minimum 1 Written Supplier Quote Required</p>	<p>You must purchase from an Ontario business unless a valid exemption applies. If you purchase from a non-Ontario business, keep the justification for your records</p>	<p>If you purchase from a non-Ontario business, you must record your justification and keep a record of it</p>	<p>BOBIA does not apply in the following circumstances:</p> <ul style="list-style-type: none"> <li>• Purchase of External Legal Services or Treasury Services (related to the management of financial assets and liabilities, such as debt, risk management, cash management, banking, investing)</li> <li>• Vendor of Record (VOR) arrangements</li> <li>• Emergency Circumstances (defined as a situation that could result in serious harm to persons or substantial damage to property)</li> <li>• Goods or Services procured for commercial sale or resale or for use in the production of a good or service intended for commercial sale or resale</li> <li>• Goods or services which are not available from an Ontario business, or the Ontario business does not meet the University's needs</li> </ul>
<p><b>Under \$25,000</b></p> <p>Procurement Method: Invoice</p> <p>Minimum 1 Written Supplier Quote Required</p>	<p>Determine if one or more Ontario businesses are available to meet your business requirements and <b>award to an Ontario business</b>. Collect a written attestation from Ontario suppliers</p> <p>If an Ontario business is <b>not</b> selected, complete the Non-Ontario Business Justification Form (NOBJ) and select your rationale for the reason you did not award to an Ontario business</p>	<p>Submit vendor attestation, evaluation criteria, NOBJ and quote solicitation to SmartBuy non-PO invoice transaction</p>	
<p><b>\$25,000 - \$121,200</b></p> <p>Procurement Method: Non-Catalogue Purchase Requisition</p> <p>Minimum 3 Written Supplier Quotes Required</p>	<p>Determine if one or more Ontario businesses are available to meet your business requirements and <b>award to an Ontario business</b>. Collect a written attestation from Ontario suppliers</p> <p>If an Ontario business is <b>not</b> selected, complete the Non-Ontario Business Justification Form (NOBJ) and select your rationale for the reason you did not award to an Ontario business</p> <p>If the <b>goods or services fall into an exempt category, or are unavailable from an Ontario business</b>, you may proceed to purchase from a non-Ontario business and document the exemption on the Non-Ontario Business Justification (NOBJ)</p> <p>When inviting both Ontario businesses and non-Ontario businesses to quote as part of the three-quote requirement, <b>give a 10% preference (on price or other criteria) to the Ontario businesses</b></p>	<p>Submit vendor attestation, evaluation criteria, NOBJ and quote solicitation to SmartBuy when creating a Non Catalogue Purchase Requisition</p>	

## APPENDIX A

### EXAMPLE OF ONTARIO BUSINESS PREFERENCE IN EVALUATION CRITERIA

When there are BOTH Ontario businesses and non-Ontario businesses quoting for goods or services, departments must include at least 10% preference for Ontario businesses in the rated criteria.

- Rated Criteria are established to evaluate quotations by assigning a score to each criterion. These criteria will vary depending on the nature of the purchase, but common factors might include price, delivery time, technical requirements, warranty terms, etc.  
**\*NEW: include “Ontario Business Preference” as one of the rated criteria.**
- Once Rated Criteria have been identified, assign a weight to each criterion based on its relative importance. The weight assigned to each criterion will indicate its importance to the purchase.  
**\*NEW: Ontario Business Preference should be assigned a weight of at least 10% of the total.**

#### SAMPLE DOCUMENTATION OF EVALUATION CRITERIA AND SCORING

	Quotation Price	Rated Criteria 1 Price (60 Points)	Rated Criteria 2 (e.g. Technical Requirements) (30 Points)	Rated Criteria 3 Ontario Business Preferential Margin (10 Points)	Total
<b>Supplier A</b> Ontario Business	\$27,500	54.5	25	10	89.5
<b>Supplier B</b> Non-Ontario Business	\$25,000	60.0	27	0	87.0
<b>Supplier C</b> Non-Ontario Business	\$30,000	50.0	24	0	74.0

- Assign each supplier a score on each of the evaluation criteria. Where price is one of the criteria, the lowest price receives the maximum number of points. Suppliers with higher prices receive lower scores, calculated as a proportion of the maximum points. In the example provided, Supplier A’s Price Score is calculated as follows:

$$\begin{aligned}\text{Supplier A's Price Score} &= \text{Maximum Points} \times [(\text{Lowest Supplier Price} / \text{Supplier A Price})] \\ &= 60 \times [(\$25,000) / (\$27,500)] = 54.5 \text{ points.}\end{aligned}$$

- Assign an overall score for each supplier by multiplying the rating for each criterion by its assigned weight. The sum of the scores across all criteria will be the total score for each supplier. Once the evaluation has been completed, review the total scores to determine which supplier to select.
- In the example provided, the Ontario business should be selected based on the total score. If the Ontario business is not selected, the Non-Ontario Business Justification form must be completed (see Appendix C)

## APPENDIX B

### ONTARIO BUSINESS ATTESTATION FORM

*To be completed by an authorized agent of the Vendor:*

The authorized agent represents and warrants that pursuant to [O. Reg 422/23](#), it is an Ontario Business (a supplier, manufacturer or distributor of any business structure that conducts its activities on a permanent basis in Ontario, and either has its headquarters or main office in Ontario or has at least 250 full-time employees in Ontario at the time of the applicable procurement process).

Yes

No

The authorized agent acknowledges the Vendor understands the instructions and conditions of this request and hereby offers to supply goods or services as per this Quote; and for greater certainty the agent has the authority to submit this Quote on behalf of the Vendor.

Authorized Agent's Name: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

## APPENDIX C

### NON-ONTARIO BUSINESS JUSTIFICATION FORM (NOBJ)

BOBIA requires that purchases below \$121,200 be made from Ontario businesses. This form records the justification for not awarding to an Ontario business for the following purchase:

Procurement Details			
Good or Service:			
Vendor:			
Amount:		Date:	

Reason for Exemption
<p>No Ontario business available/does not exist</p> <p>An Ontario business exists, but does not meet business need for the reason detailed below:</p> <p>Ontario businesses were given 10% preference in evaluation per the attached criteria, but a non-Ontario business was selected</p> <p>Purchase was made in emergency circumstances (defined as a situation or impending situation that could result in serious harm to persons or substantial damage to property)</p> <p>Goods or services are in an exempt category:</p> <ul style="list-style-type: none"><li>External legal services</li><li>Treasury services (related to the management of financial assets and liabilities, including services related to borrowing, debt management, risk management, cash management, banking, or investing)</li><li>Goods or services procured for commercial sale or resale or for use in the production of a good or service intended for commercial sale or resale</li></ul>

Authorization & Signature	
Name & Title:	
Department:	
Signature:	
Date:	