Financial & Procurement Policy

Final Draft - Counsel Revisions

The Junction BIA | 2026 Governance Review

PURPOSE

This policy establishes the financial oversight, procurement, purchasing and contract approval framework for The Junction BIA. It supplements and shall be interpreted consistently with the City of Toronto Municipal Code, Chapter 19, including Schedule B, the Council-approved budget and applicable City requirements.

The Board is responsible for strategic oversight, policy, preparation of the proposed annual budget and financial stewardship. The annual budget is discussed and adopted by the membership and submitted for Council approval in accordance with Chapter 19.

The Executive Director is responsible for day-to-day financial administration, procurement administration, vendor management and contract administration within delegated authority, subject to the Council-approved budget, Board-approved policies and statutory signing requirements.

1. GUIDING PRINCIPLES

Procurement decisions shall be guided by value for money, transparency, accountability, fairness, consistency, operational efficiency, lawful support of local businesses where practical, and achievement of organizational objectives.

The lowest-priced submission need not automatically be selected. Vendor selection may consider relevant experience, references, past performance, specialized expertise, artistic merit, technical capability, timelines, compatibility with project goals, cost, risk and overall value.

2. BUDGET AUTHORITY

The Board shall prepare the proposed annual operating and capital budget in accordance with Chapter 19. The budget shall be discussed and adopted at an AGM or General Meeting and submitted to the City for Council approval.

The Executive Director may incur expenditures and administer procurement where the expenditure is within the Council-approved budget, funds are available, the expenditure supports approved programs, services or operations, and the expenditure complies with this policy and applicable signing authorities.

The Executive Director may reallocate up to $10,000 between approved budget line items to address operational requirements, provided that the reallocation does not increase the total Council-approved budget, does not create a new material program or change a Board-approved strategic priority, remains permissible under City requirements, and is reported to the Board at its next regular meeting. A single reallocation or a series of related reallocations shall not be divided or structured to avoid the $10,000 limit.

3. CONTRACT VALUE AND PURCHASING THRESHOLDS

For purposes of this policy, procurement thresholds are determined by the total reasonably anticipated value of the procurement or contract over its full term, including related phases, amendments, extensions and renewal options. A procurement shall not be divided or structured to avoid an approval or quotation threshold.

Purchases up to $5,000:

The Executive Director may procure goods and services directly using reasonable discretion and documented business judgment, subject to the Council-approved budget and signing requirements.

Purchases between $5,001 and $15,000:

The Executive Director shall seek competitive pricing, quotations, references or other evidence of market value where practical. A formal quotation process is not mandatory where specialized expertise, sole-source conditions, continuity of service, timing constraints or demonstrated value justify another approach, provided the rationale is documented.

Purchases between $15,001 and $25,000:

A minimum of three written quotations shall normally be obtained. Where three quotations cannot reasonably be obtained or a sole-source, emergency, grant, sponsorship, artistic, specialized-expertise, continuity or time-sensitive exception applies, the rationale shall be documented before commitment where practicable.

Purchases over $25,000:

Prior Board approval is required for every procurement or contract having a total anticipated value exceeding $25,000, whether or not the expenditure is contemplated in the Council-approved budget. Board approval shall be obtained before the BIA becomes contractually committed, except for a valid emergency procurement under Section 5.

Contract amendments and renewals:

An amendment, change order, extension or renewal that causes the total anticipated value of a contract to exceed $25,000, or materially changes the scope approved by the Board, requires prior Board approval unless Section 5 applies. Related amendments shall be aggregated.

4. SOLE-SOURCE PROCUREMENT

Sole-source procurement may be used where reasonably justified, including where specialized expertise is required, only one qualified vendor is reasonably available, continuity of service or project knowledge is important, an emergency or genuine time-sensitive circumstance exists, the vendor has unique project knowledge, or artistic, creative, curatorial, grant, sponsorship or technical considerations reasonably justify sole sourcing.

The rationale, anticipated value, approving authority and any material conflict screening shall be documented and retained. A sole-source procurement over $25,000 remains subject to prior Board approval unless Section 5 applies.

5. EMERGENCY PROCUREMENT

Where an urgent circumstance threatens public safety, property, service continuity, legal or contractual obligations, material funding, or the BIA's operations, the Executive Director may take reasonable steps and authorize procurement outside the normal quotation process to the extent necessary to address the emergency.

Where practicable, the Chair and another director with signing authority shall be consulted before commitment. Any required financial transaction shall continue to be signed or authorized in accordance with Chapter 19. The Executive Director shall document the emergency, vendor selection, amount and rationale and report the expenditure to the Board as soon as practicable and, in any event, at the next regular Board meeting.

6. LOCAL PURCHASING

Where lawful, practical and competitive, consideration may be given to Junction BIA member businesses, Toronto-based businesses and Canadian businesses. Local preference shall not override applicable law, City requirements, conflict-of-interest rules, funding conditions, required expertise, risk management or value for money.

7. GRANT- AND SPONSOR-FUNDED PROJECTS

Procurement for grant- or sponsor-funded projects may be adapted where a funding agreement establishes specific purchasing, eligibility, reporting, recognition or delivery requirements. Any material departure from the normal process shall be documented and shall remain subject to applicable law, City requirements and Board approval thresholds.

8. CONFLICT OF INTEREST AND BOARD-MEMBER VENDORS

Board members and staff shall comply with the Municipal Conflict of Interest Act, the City of Toronto Code of Conduct applicable to members of local boards, Chapter 19 and all other applicable conflict-of-interest requirements.

A Board member with a pecuniary or other disqualifying interest in a procurement matter shall disclose the interest as required by law and shall not participate in vendor selection, evaluation, discussion, approval or voting concerning the procurement.

The BIA shall not procure goods, consulting or other services directly from a Board member, or through a partnership, professional corporation or closely-held corporation through which the Board member would provide such goods or services, except to the extent expressly permitted by applicable law and the City Code of Conduct. Where there is uncertainty, advice from the City Integrity Commissioner should be obtained before proceeding.

9. SIGNING AND PAYMENT AUTHORITY

At least two directors shall have signing authority for each BIA bank account. All financial transactions of the Board shall be signed or authorized by two directors with signing authority, as required by Chapter 19.

Documents, contracts and agreements shall be executed in accordance with Schedule B and any other lawful Board signing authority. The Executive Director may negotiate and administer contracts within delegated authority but shall not replace a required director signatory.

No individual Board member may authorize an expenditure, direct a vendor, enter into a contract or commit the BIA except as expressly authorized by applicable law, Board resolution or approved delegated authority.

10. CONTRACT RISK MANAGEMENT

Contracts shall contain terms appropriate to the nature and risk of the engagement, which may include scope and deliverables, fees and payment terms, term and termination rights, confidentiality and privacy, intellectual property, compliance with law, indemnity, insurance, workplace safety, accessibility, conflict-of-interest, record retention and dispute-resolution provisions.

Where appropriate, contractors and event organizers shall maintain commercial general liability and any other insurance reasonably required for the activity, provide evidence of coverage, and name The Junction BIA and the City of Toronto as additional insureds where required by City/BIA insurance guidance or the circumstances of the engagement.

11. REPORTING AND RECORDS

The Executive Director shall report material contracts, procurement activity, emergency procurements, sole-source procurements and significant budget variances to the Board through regular operational and financial reporting.

Quotations, evaluations, approvals, contracts, amendments, sole-source and emergency rationales, conflict disclosures, insurance certificates and other material procurement records shall be retained in accordance with applicable law, City requirements and the BIA's recordkeeping practices.

12. POLICY REVIEW

This policy shall be reviewed at least once during each Board term and sooner where legislation, City requirements, operational experience or governance needs warrant an update.

BOARD MOTION

Moved by ____________________, seconded by ____________________, that the Board of Management of The Junction BIA approve the 2026 Financial & Procurement Policy, replacing the 2017 Purchasing Policy and any previous Junction BIA purchasing or procurement policy, subject to Chapter 19 and applicable City requirements.

Date: ____________________, 2026

Carried / Defeated

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Chair

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Vice-Chair

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Secretary

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Treasurer