

## Supplier Performance Evaluation Protocol

### 1. Purpose and Interpretation

The purpose of this protocol is to establish a performance evaluation process in order to evaluate supplier performance in a transparent and consistent manner. Supplier performance is critical to the success of procurement projects. Poor workmanship, unnecessary contract delays and unsafe work practices will not be tolerated.

Defined terms used in this protocol have the meaning assigned in the Glossary of Terms in Schedule A of the Procurement Procedures.

### 2. Performance Evaluation

At the outset of the contract, the Business Unit Lead will provide the supplier with copies of the Interim and Final Performance Evaluation Reports that will be used to rate the supplier's performance in accordance with this protocol.

#### (a) Interim Evaluation

The Business Unit Lead will formally evaluate the supplier's performance and complete the Interim Performance Evaluation Report in Appendix A prior to the renewal or extension of the contract, if applicable, and may formally evaluate the supplier's performance and complete an Interim Performance Evaluation Report at any time during the term of the contract, as determined by the Business Unit Lead taking into account the nature, complexity, value and length of the contract. In the case of multi-year contracts, an Interim Performance Evaluation Report should be completed on an annual basis, at a minimum.

#### (b) Final Evaluation

The Business Unit Lead will formally evaluate the supplier's performance and complete the Final Performance Evaluation Report in Appendix B upon completion, expiration or termination of the contract.

### 3. Incident Reports

Specific incidents of poor performance, in particular any incidents related to the health and safety matters, should be recorded at the time of occurrence or discovery. The Incident Report form in Appendix C may be used for this purpose. Email correspondence and/or notes to file (whether in physical or digital format), may also be used to record details of performance issues and incidents. A copy of the incident report should be provided to the supplier and, where possible, the supplier's acknowledgement of the incident should be obtained.

#### **4. Interim Performance Evaluation Report**

##### **a. Notification of Supplier**

The Business Unit Lead will notify the supplier of its overall performance rating and provide the supplier with a copy of the completed and signed Interim Performance Evaluation Report.

##### **b. Performance Issues**

If the supplier receives a “Below Standard” rating on any of the rated criteria in the Interim Performance Evaluation Report, the Business Unit Lead will meet with the supplier to clearly identify and discuss the performance issues, determine the corrective action that will be taken to rectify and avoid recurrence of the performance issues, and obtain the supplier’s agreement to take the corrective action within a specified time period.

Following the meeting, the Business Unit Lead will confirm the details and outcome of the discussion in writing to the supplier, and will attach a copy of the written record of the meeting to the Interim Performance Evaluation Report.

The Business Unit Lead will inform his or her Business Unit Head of the performance issues. If the performance issues are not rectified or there is a recurrence of the performance issues, the Business Unit Lead will consult with his or her Business Unit Head, the Procurement Section and Legal Services to determine next steps.

#### **5. Final Performance Evaluation Report**

##### **a. Performance Issues**

If the supplier receives a “Below Standard” rating on any of the rated criteria in the Final Performance Evaluation Report, the Business Unit Lead will meet with the supplier to discuss the performance issues, and will consider any comments or explanations provided by the supplier in the finalization of the Final Performance Evaluation Report.

##### **b. Recommendation Based on Performance**

Based on the final rating of the criteria in the Final Performance Evaluation Report, the Business Unit Lead will make a recommendation to either:

- allow the supplier to continue participating in future procurement processes; or
- suspend the supplier from participating in future procurement processes for a period of up to five (5) years in accordance with the Supplier Suspension Protocol.

##### **c. Recommendation for Continued Participation**

If the evaluation results in a recommendation to allow the supplier to continue participating in procurement processes, the Business Unit Lead will notify the supplier of its final rating and the resulting recommendation, and provide the supplier with a copy of the completed and signed Final Performance Evaluation Report.



**d. Recommendation to Suspend**

If the evaluation results in a recommendation to suspend the supplier from participating in future procurement processes in accordance with the Supplier Suspension Protocol, the following steps must be taken:

**(a) Review by Business Unit Head**

The Business Unit Lead will submit the Final Performance Evaluation Report to his or her Business Unit Head for review. The Business Unit Head will ensure that the Final Performance Evaluation Report is complete, will discuss the ratings with the Business Unit Lead, and will ask the Business Unit Lead to confirm that the Final Performance Evaluation Report accurately reflects the supplier's performance.

**(b) Notification of the Procurement Section**

The Business Unit Lead will inform the Procurement Section of the recommendation and provide the Manager of Procurement with a copy of the Final Performance Evaluation Report.

**(c) Preparation of Suspension Recommendation Report**

The Business Unit Lead will prepare the Suspension Recommendation Report in accordance with the City's Supplier Suspension Protocol.

**(d) Notification of Supplier**

In accordance with the Supplier Suspension Protocol, the Manager of Procurement will notify the supplier of the decision to recommend suspension and will provide the supplier with a copy of the Suspension Recommendation Report, attaching the completed and signed Final Performance Evaluation Report. The notice will advise the supplier of the Supplier Suspension Protocol and the opportunity to respond to the decision to recommend suspension.

**6. Decision to Suspend**

The decision with respect to suspension of the supplier will be made in accordance with the Supplier Suspension Protocol. The completed Final Performance Evaluation Report will be attached to the Suspension Recommendation Report. A decision under the Supplier Suspension Protocol is final.

**7. Retention of Evaluation Reports**

The Business Unit Lead will retain all original Interim and Final Performance Evaluation Reports and will provide the Procurement Section with a copy of each Performance Evaluation Report. The Procurement Section will retain copies of all Interim and Final Performance Evaluation Reports.



#### **8. Disclosure of Results to Others**

The results of any Performance Evaluation Processes are intended to be disclosed internally across Business Units, and may be disclosed to other government bodies upon request and to any entity for which it can be demonstrated that the supplier has listed the City as a reference.

#### **9. Consideration of Performance in Evaluation of Bids**

The City may consider past performance evaluation results in the evaluation of future bids from the supplier, whether or not the past performance resulted in suspension in accordance with the Supplier Suspension Protocol, and may exclude a supplier based on significant or persistent deficiencies in past performance.