



ONN's social procurement policy

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Revised and Approved:	

I. Policy purpose

All ONN purchases shall be within ONN's approved annual budget and purchases shall reflect reasonable costs that are competitive and comparable to market rates.

Every purchase has an economic, environmental, cultural, and social impact, whether intended or not.

The purpose of this policy is to align ONN's operational purchasing practices with its strategic plan and policy objectives. Through its purchasing, ONN will encourage, advance, and reward decent work and grow inclusive local economies with maximum social and environmental impact.

By purchasing from suppliers who meet the characteristics below, the implementation of this Policy should further the following goals:

- Contribute to a stronger and more just local economy by circulation of funds through a community wealth building lens
- Increase diversity among suppliers

- Improve access to market opportunities for social enterprises (SEs), not-for-profits (NFPs), co-operatives, local and regional small enterprises
- Promote living wage and fair employment practices
- Increase economic development for equity deserving groups
- Minimize negative and promote positive environmental impact

In its purchasing practices, ONN is committed to maximize our purchasing from suppliers and their supply chains that meet the following characteristics and values:

1. Organizational characteristics:

- Incorporated as a nonprofit or co-operative
- Headquarters are in Ontario and 75% of owners or members are residents of Ontario
- Provide decent work environment including fair wages, rights and benefits

2. The majority of owners/members are from an equity deserving community:

- Indigenous
- Black
- Gender diverse
- Live with a disability
- Other equity deserving group

3. Environmental issues:

- Production and distribution methods are compatible with a sound environmental and sustainable future, including greenhouse gas emissions, waste, consumption, etc.

II. Policy scope

This policy applies to the procurement of all goods and services by all members of the ONN team and by any organization ONN contracts to purchase on our behalf, with the exception of where ONN does not have the option to choose vendors (i.e. when venues do not have open vendor policy and only use their own preferred list of vendors, etc.)

Some ONN purchases are by necessity from large and or private sector corporations, such as IT, accounting, legal, etc. In those cases, if the purchase is over \$10,000, ONN will review or ask the supplier to provide evidence of their social purchasing policy in their supply chain, their Corporate Social Responsibility (CSR), Environmental, social and corporate governance (ESG), and Diversity, Equity and Inclusion (DEI) policies, and their engagement in the community.

III. Policy application

Roles and responsibilities

Within ONN, responsibility for implementing this Policy shall be divided as follows:

- The Manager of Operations, with oversight by the Executive Director, will oversee the implementation of this policy.
- All staff who may make purchasing decisions will be responsible for adhering to this policy with the support of the Manager of Operations.

Social purchasing selection weighting

Required criteria for the product or service

- Meets quality standards and technical requirements
- Competitive price
- Convenience and accessibility

Among suppliers that meet the above required criteria, preference should be given to suppliers who exhibit characteristics across more categories over suppliers who exhibit more characteristics within a single category. Where there is otherwise a tie, categories are listed below in order of ranking.

Criteria for choosing which suppliers to use:

- Added social value #1: Organization
 - Corporate structure is a nonprofit or co-operative
 - Local headquarters and at least 75% of the owners/controllers are based in Ontario
- Added social value #2: Identity of majority owners/controllers (based on self-identification)
 - Indigenous
 - Black
 - Gender-diverse
 - People living with a disability
- Added social value #3: Decent work commitment evidenced through suppliers' policies and practices
- Added environmental value
 - Environmentally sustainable certification or description

IV. Supplier information collection

ONN will gather supplier information regarding the social purchasing selection weighting criteria to inform its procurement decision-making:

Ordinary purchase

For purchases under \$10,000: ONN staff will use their discretion and make choices that reflect the values above, reviewing the structure, location, social, and environmental value of the supplier.

Large purchase

For purchases between \$10,000 and \$25,000: Where such information is not publicly available, the operations team or project lead will use a simple vendor self-attestation survey from the suppliers for information about the structure, location, social, and environmental value of the supplier.

Major purchase

For purchases above \$25,000 and/or those that include/require a Request for Proposal process (RFPs): ONN will include questions about the supplier structure, location, social, and environmental value of the supplier, and their sub-contractors and supply chains information as part of the RFP and score that information a minimum of 15% along with price, quality, and environment.

V. Definitions

Types of purchases:

- Major purchase: Above \$25,000
- Large purchase: Above \$10,000 below \$25,000
- Ordinary purchase: Below \$10,000

Community wealth building: Community economic development that is sustainable and keeps resources within the community permanently through enterprises that are local, democratic, and inclusive.

Equity-deserving community: Also referred to as "Equity Seeking Groups", means groups who have historically been denied equal access to employment, education, and other opportunities, and includes, without limitation, the following: members of an Indigenous community; members of Black communities; racialized communities; immigrants and refugees; people living with disabilities; women; members of the 2SLGBTQQIA community; low income residents; people with mental or physical health barriers; people facing Employment Barriers, Unemployment or Underemployment; and others experiencing barriers to economic opportunity and participation.

Diverse supplier: A diverse supplier is any business or enterprise that is:

- More than 51% (majority) owned, managed and controlled by persons belonging to an equity-seeking community, or
- A social purpose enterprise whose primary purpose is to create social, environmental or cultural value and impact, or where more than 50% of the persons who are full-time equivalent employees are participating in or have completed transitional employment training, and experience economic disadvantage.

Social enterprise/community wealth building enterprises: for the purpose of this document, social enterprises or community wealth building enterprises are businesses that:

- are local and place-based
- prioritize social outcomes and particularly the well-being of employees over financial return
- owned (or controlled in the case of nonprofits) locally by a broad-base of residents who benefit from the accumulated wealth
- internally governed by democratic principles, and encourage participation in democratic governmental decision making
- more likely to spend their revenues locally
- backed by locally sourced investments
- born from and actively foster community collaborations and stronger relationships in the community
- actively networking within and beyond the community to seed a new economic system.

Value weighting: Value weighting is the way in which an organization prioritizes its criteria for selecting partners in a purchasing process. Value weighting is typically expressed as a greater or lesser percentage among selection criteria.

Weighting criteria: Weighting criteria are the factors and comparative value taken into consideration when an organization evaluates the bids of various suppliers and their good/service. An organization may assign different weighting to price, quality, social impact, and environmental impact of the supplier and its good/service.