# **What you need to know about giving preference to Ontario Businesses under Ontario Regulation 422/23.**

This document is a supporting resource to the FACTS Giving Preference to Ontario Businesses, Ontario Regulation 422/23 video for staff and faculty who use a screen reader or otherwise require a non-video format. It is not an exact transcript of all text seen on-screen in the video, however it does contain all of the same information.

If you need more help with Ontario Regulation 422/23, please contact Procurement Services by email (procurementservices@carleton.ca), phone (613-520-3622), or [visit Procurement Services’ dedicated BOBIA webpage](https://carleton.ca/procurement/building-ontario-businesses-initiative-act-bobia/).

In this document we'll review Ontario Regulation 422/23, the ‘Building Ontario Businesses Initiative Act’ (BOBIA), how to comply with BOBIA, and what to do if you need help.

## **Introduction**

The Provincial Government has introduced the Building Ontario Businesses Initiative Act, or BOBIA, to give preference to Ontario Businesses. The Broader Public Sector, or BPS, Procurement Directive has been updated to include the Regulation that underpins BOBIA. The Regulation came into effect April 1, 2024.

The BPS Procurement Directive, including BOBIA, guides the acquisition of goods and services for the university.

## **BOBIA**

BOBIA defines an Ontario Business as any supplier, manufacturer or distributor that conducts its activities on a permanent basis in Ontario, and at the time of a procurement, either has its headquarters or main office in Ontario or has a minimum of 250 full-time employees in Ontario.

The university may rely on a representation by the Vendor regarding their status as an Ontario Business. How to obtain a representation from the Vendor regarding their status as an Ontario Business can be found in the next video and/or related accessible document ([Giving Preference to Ontario Businesses in Invitational Competitive Procurement](http://www.carleton.ca/facts/financial-administration-policies/procurement-policy/)).

At this time, there is no central database of Ontario Businesses. As Vendors represent their status as an Ontario Business, they will be identified in eShop with a trillium symbol. Vendors without a trillium symbol may not have had the opportunity to represent their status yet. Many Vendors with whom you already do business are likely to be able to represent that they are an Ontario Business.

## **How do you give preference to Ontario Businesses?**

You are required to comply with BOBIA for any purchase under the Open Competitive Procurement threshold of $121,200.00. BOBIA provides two methods for giving preference to Ontario Businesses. The first method is to only invite Ontario Businesses to quote. The second method is to allocate a 10% evaluation preference to any Ontario Business who provides a quote (covered in the How to Comply with BOBIA section of this document).

## **Exemptions**

BOBIA allows for some exemptions to the requirement to give preference to Ontario Businesses.

1. The first exemption is only valid for the procurement of goods or services included in a Standing Offer, Vendor of Record, or Qualified Supplier List. Definitions for Standing Offer, Vendor of Record, and Qualified Supplier List can be found in the [FACTS glossary](http://www.carleton.ca/facts/glossary). Competitive Procurement requirements have already been completed for Vendors included in the first BOBIA exemption. If you choose one of these Vendors, you don't have to complete any BOBIA tasks!
2. The second exemption is only valid for the procurement of services provided by treasury operations, lawyers, paralegals, notary publics, or expert witnesses.
3. The third exemption is only valid for the procurement of goods or services required for an emergency. While purchases related to an emergency are an exemption under BOBIA, an emergency is defined as a serious, unexpected and often dangerous situation that requires immediate action. Funding or budgetary deadlines, for example, are not emergencies.
4. The fourth exemption is only valid for the procurement of goods or services procured for commercial sale or resale.
5. The fifth exemption is only valid for the procurement of goods or services which are not available from an Ontario Business. You must complete an appropriate amount of due diligence in order to determine whether your good or service is available from an Ontario business.

## **How to comply with BOBIA.**

For most purchases, BOBIA requires that you be able to answer two questions. Are you buying from an Ontario Business? How did you give preference to Ontario Businesses in your process?

You need to make a purchase for approved Carleton business. Begin by asking yourself ‘Are you procuring your good or service from a Standing Offer, Vendor of Record, or Qualified Supplier List?’. If the answer is yes, your purchase falls under the first exemption outlined in BOBIA. eShop has many of the Vendors of Record you use day-to-day. Staples is one example of a Vendor of Record. Look for the green shield symbol in eShop. This means that purchases from this Vendor fall under the Vendor of Record BOBIA exemption.

If, however, you are not procuring your goods from a Standing Offer, Vendor of Record, or Qualified Supplier List ask yourself ‘Is there at least one Ontario Business that can fulfill your requirements?’. If the answer is yes, ask yourself 'What is the Total Procurement Value of my purchase?'. The Total Procurement Value is the complete anticipated financial expense, excluding taxes, over the life of the commitment for a good or service, including optional renewal periods if they apply. If the Total Procurement Value of your purchase is between zero and $25,000.00 you must buy from an Ontario Business. Remember, Consulting Services always require you to follow an Invitational Competitive process. If the Total Procurement Value of your purchase is between $25,000.01 and $121,199.99 begin with the Invitation to Quote Cover Sheet. The Invitation to Quote Cover Sheet is used to reach out to Vendors for quotes. The next video or related accessible document uses examples to show you how to fill out an Invitation to Quote Cover Sheet (www.carleton.ca/facts/financial-administration-policies/procurement-policy/).

If there isn’t an Ontario Business that can fulfill your requirements, your purchase must fit into one of these exemptions outlined in BOBIA. You may use the Invitation to Quote Cover Sheet to facilitate Competitive Procurements with non-Ontario businesses.

## **What to do if you need help.**

This video has given an overview of Ontario Regulation 422/23, the Building Ontario Businesses Initiative Act, or BOBIA. Remember, BOBIA does not override the university's requirement to engage in Competitive Procurement where required by the Procurement Policy.

Don’t worry! Procurement Services can help. Contact them early in the process by phone (613-520-3622) or email (procurementservices@carleton.ca) to help ensure you are on the right path.