

# Nova Scotia Pension Services Corporation

## Procurement Policy

October 1, 2018

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### 1.0 Introduction and Background

The Nova Scotia Pension Services Corporation (“Pension Services Corp.”) is a corporation established by the Nova Scotia Pension Services Corporation Act (the “Act”). Its objective is to:

1. To provide pension administration and pension investment services for the Teachers’ Pension Plan, the Public Service Superannuation Plan and any other pension plan or arrangement that retains the services of Pension Services Corp. and is approved by the Board of Directors (the “Board”); and
2. To carry out such other activities or duties as may be authorized or required by the Board; and
3. Be responsible for the provision of pension administration and pension investment services in accordance with Section 8 of the Act; and
4. Perform such additional duties consistent with the Act as the Board may consider advantageous to Pension Services Corp.; and

The Board sets its own principles, policies and procedures in respect of the procurement of goods and services. Pension Services Corp. is not:

- i. an agent of the Crown nor is it a crown corporation within the meaning of the Finance Act.;
- ii. a member of the Government Reporting Entity within the meaning of the Finance Act;
- iii. a public body as defined in the Freedom of Information and Protection of Privacy Act and, for greater certainty, that Act does not apply to Pension Services Corp.

### 2.0 Principles

Under the direction the Board, Pension Services Corp. maintains a procurement policy that strives to achieve the procurement of products and services that:

- i. are most appropriate to meet the needs of Pension Services Corp. and the pension plans that it administers;
- ii. are industry leading and represent industry best practice;
- iii. are competitively priced and provide a strong value proposition;
- iv. are diligently evaluated in a manner that is free from conflicts of interest;
- v. are considerate to the environment;
- vi. are well supported by documentation that provides Pension Services Corp. with appropriate rights and protections; and

- vii. comply with the Management Authorities approved by the Board.

Pension Services Corp. recognizes the following principles:

1. Pension Services Corp. believes that in many cases the procurement of goods and services from more than a single supplier is preferable to single sourcing; and
2. Pension Services Corp. believes that, where more than one viable source for goods or services exists, and where conditions permit, competition among suppliers can produce a more favourable result for Pension Services Corp.

### 3.0 Policy

In procuring goods or services to fulfill its mandate, Pension Services Corp. will:

1. Qualify and select suppliers on a reasoned basis which appropriately balances the considerations relevant to a decision such as nature of goods or services being procured; timeframe for selection; universe of potential suppliers; past procurement experience; available information about potential suppliers; likely price variations, etc., acting at all times in accordance with the parameters of its mandate
2. Select the supplier by way of:
  - (a) Directed source selection (including sole sourcing); or
  - (b) Request for proposal; or
  - (c) Request for quotation.

When using *directed source selection*, Management shall ensure that it undertakes appropriate due diligence and selection processes.

When using a *request for proposal* or a *request for quotation*, Management will qualify the supplier through a competitive process, which process may be open to all suppliers, open to pre-qualified suppliers, or a combination of both.

3. Perform sufficient and appropriate due diligence
4. Enter into an appropriate written agreement with the supplier of goods or services which may include:
  - (a) a statement of work or requirements which describes
    - i. the goods or services to be provided (including scope quantity and quality);
    - ii. the individual(s) responsible (where applicable) for delivering the goods or services;
    - iii. the objectives to be attained (where applicable); and
    - iv. the time frame for completion or delivery (where applicable)
  - (b) the price (including, where appropriate, fees and expenses agreed to);
  - (c) the billing and receipt requirements;

- (d) details of Pension Services Corp.'s operational and policy constraints (where appropriate); for example, confidentiality expectations;
- (e) other applicable terms and protections considered appropriate in the circumstance; and
- (f) details of the supplier's environmental and economic policies and practices.

#### **4.0 Compliance and Reporting Responsibilities**

1. Compliance: Employees are required to comply with this Procurement Policy. Management is responsible for ensuring that Employees within their respective departments comply with this Procurement Policy.
2. Reporting: The Director, Enterprise Risk & Compliance will report on any exceptions observed with respect to this Procurement Policy as it relates to the Management Authorities through internal compliance reports to the Board not less than once per year.

#### **5.0 Permitted and Restricted Applications**

Pension Services Corp. will publish this Policy to ensure that it is readily available to all potential service providers.

This Policy does not replace any procurement policies of the Public Service Superannuation Plan or the Teachers' Pension Plan.

#### **6.0 Policy Approval, Review, Monitoring and Reporting**

This Policy and any amendments shall be approved by the CEO.

This Policy shall be reviewed biennially by the Document Owners and the CEO .

Ongoing monitoring and enforcement of this Policy is the responsibility of the CEO. If the CEO believes that material deviation from this Policy is warranted, it will be brought to the attention of the Board.

#### **7.0 Enquiries**

Questions should be directed to the CEO.<sup>1</sup>

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<sup>1</sup> We would like to acknowledge and thank the Canada Pension Plan Investment Board for making their Procurement Policy publicly available. We have used their policy extensively to draft this policy.

## Glossary of Terms

Board	Board of Directors, Nova Scotia Pension Services Corporation
Board Committee	A committee of the Board that operates in accordance with Board approved terms of reference
CEO	Chief Executive Officer and President of Pension Services Corp.
Employee(s)	Person(s) employed by Pension Services Corp.
Management	Officers and Employees designated by the Board from time to time
Management Authorities	Acceptable or required actions by Officers and Employees as approved by the CEO and the Board
Officers	Chief Executive Officer and President, Chief Pensions Officer or Chief Investment Officer
Pension Services Corp.	Nova Scotia Pension Services Corporation
Policies	Acceptable or required actions by Officers and Employees which require Board approval

Approved By:	Douglas Moodie Chief Executive Officer and President
Document Owners:	Director, Financial Services Manager, Accounting Operations
Effective Date:	October 1, 2018
Next Review Date:	September 30, 2020