

Ministry of Education

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2014: B11

MEMORANDUM TO: Superintendents of Business

FROM: Gabriel F. Sékaly
Assistant Deputy Minister
Financial Policy and Business Division

DATE: October 3, 2014

SUBJECT: Student Transportation Competitive Procurement
Review

In *Memorandum 2014: B2*, issued in January 2014, it was announced that the then Ministry of Government Services (MGS), now the Ministry of Government and Consumer Services (MGCS), would be conducting a review of competitive procurement in the student transportation sector. In a subsequent letter sent to the two school bus operator associations, the Premier further committed to an independent review of competitive procurement processes for student transportation. I am pleased to provide you with an update regarding this review as we move forward with this commitment.

The review will have two intended purposes: a review of current competitive procurement practices and student transportation Requests For Proposals (RFPs) that have been issued since December 31, 2011 to identify best business practices and opportunities for improvement in competitive procurement of student transportation in Ontario; and to explore options other than RFPs for competitive procurement of student transportation that are in compliance with the *Broader Public Sector Procurement Directive* (BPSPD) for the consideration of the school board sector in Ontario. The review will begin in October 2014 with expected completion by December 2014.

MGCS will still have an important role to play as they will assist in reviewing the findings of the review to ensure that recommendations are compliant with the BPSPD, prior to submission of the report to the Minister of Education.

Review Team

This review will be chaired by Mr. Colin Campbell, retired Justice of the Ontario Superior Court. For 31 years, Mr. Campbell's general litigation practice was primarily in the civil and corporate commercial fields at all levels of Courts and before regulatory tribunals across Canada including numerous appearances before the Supreme Court of Canada. The Chair will have the responsibility of overseeing the review process and the work of the Expert Panel; the Chair will ensure impartiality, openness, and transparency of the review process. The two members of the Expert Panel are Leo Gotlieb and Paul Emanuelli. Both members are public procurement experts who had provided support to the Student Transportation Competitive Procurement Task Force in 2011. Their background knowledge and understanding of the core issues for this review will help significantly in meeting the target completion date of December 2014.

Consultations

During the review, the Expert Panel will consult with stakeholders in the student transportation sector, including but not limited to: school bus operator associations, school bus operators with no affiliations, school board business officials, procurement managers, transportation consortia managers, and other groups or individuals as may be determined by the review team. We encourage the school board sector to share your thoughts on issues, opportunities for improvement, and potential alternative competitive procurement options.

Guiding Principles

Throughout the independent review process, the reviewers will be following the guiding principles outlined below:

1. The review of current competitive procurement practices/RFPs issued by Ontario school boards or consortia since December 31, 2011 and the consideration of alternative competitive procurement options that are compliant with the BPSPD does not:
 - a. imply that the RFPs issued by school boards or consortia were flawed or are non-compliant with the BPSPD; and
 - b. override the principle that school boards and consortia have the right to make their own procurement decisions.
2. The review needs to be methodical, inclusive, thorough, and evidence-based. All stakeholder groups' views and perspectives must be taken into consideration.
3. The review will explore areas in which there may be gaps and areas to improve and/or simplify.
4. Best business practices and opportunities for improvement of current competitive procurement practices, as well as any alternative competitive procurement

options that may be developed through this review, cannot be made mandatory. School boards are self-governing bodies and ultimately responsible for making their own procurement decisions.

5. Best business practices and opportunities for improvement, as well as any potential alternative competitive procurement options must be easily understood and practical for implementation by school boards or consortia.
6. Any best business practices, suggestions for improvement, as well as other competitive procurement options that may be advanced by the reviewers must be in full compliance with the BPSPD.
7. In developing recommendations, the reviewers must take into consideration the diversity of school boards' management and resource capacity across the province.
8. The resulting procurement best practices should continue the evolution towards a system of competitive procurement of student transportation that is capable of addressing the needs of public procurement in Ontario.

In closing, I would like to thank all school boards and transportation consortia for the effort you have invested into the competitive procurement process. I would strongly encourage your participation and support in this review process. Further details about the review and next steps will be provided in the weeks to come.

If you have any questions, please contact Cheri Hayward, Director, School Business Support Branch at (416) 327-7503, or cheri.hayward@ontario.ca.

Original Signed by

Gabriel F. Sékaly
Assistant Deputy Minister
Financial Policy and Business Division

cc: Procurement Managers
Transportation Managers
The Honourable Colin Campbell Q.C., Independent Review Chair
Leo Gotlieb, Independent Review Expert Panel
Paul Emanuelli, Independent Review Expert Panel