

Section 16: Purchasing/Expenditures

Procurement of Goods and Services		16-01.01
Section 16: Purchasing/Expenditures	Department: Finance	
Source Reference: Waabnoong Internal, Nogdawindamin and Sudbury-Manitoulin Children's Aid Society policy manual, Government Ontario – Broader Public Sector Procurement Directive		

POLICY:

A competitive procurement process will be undertaken when practical for the purchase goods and services, to ensure value for money. Niijaansinaanik Child and Family Services acquisition of goods and services will be clearly outlined and based on a transparent review.

PROCEDURE:

1. The following thresholds will apply to the tendering process for the purchase of goods and services:

Annual Purchase Expenditure by Vendor	Means of Procurement	Tendering Requirement
Up to \$150	Petty Cash/Gift Card/VISA Request for Payment	Not applicable
\$151 to \$500	Gift Card/VISA Payment Request/Purchase Order	One quotation required
\$500 to \$1,000	Purchase Order	Two quotations required
\$1,001 to \$4,999	Purchase Order	Two written quotations required
\$5,000 to \$9,999	Purchase Order	Three written quotations required
\$10,000 to \$99,999	Invitation	Three written quotations required
\$100,000 to \$199,000	Open – Request for Proposal issued	Minimum of three responsive proposals
Over \$200,000	Open - Request for Proposal or Request for Tender issue	Minimum of three responsive proposals

Any quotation that requires a VISA request for payment or purchase order, must be supported by the tendering requirement listed above.

2. A Vendor of Record will be established when actual demand is not known in advance. The Agency will establish and maintain a reference list of approved vendors in order to procure frequently used goods or services. When a purchase is required for frequently used goods or services, it is to be procured through a supplier listed on the vendor of record using a purchase order.
3. Non-competitive purchases may occur as a result of the following:
 - a) Act, Legislation or the existence of patent or copyrights;
 - b) Short supply as a result of abnormal market conditions;
 - c) Only one source of supply being acceptable and cost effective;
 - d) Absence of competition;
 - e) Security and confidentiality matters;
 - f) Emergency situations;
 - g) Monopoly of a utility;
 - h) Boarding expenditures;
 - i) Allowances/reimbursements paid to Alternative Care Providers;
 - j) Health costs incurred on behalf of an Agency client.
4. Direct negotiation may be used only when one or more of the following conditions apply:
 - a) Required goods and services will be similar to goods and services under an existing contract;
 - b) Failed attempt at using a method other than direct negotiation;
 - c) Goods and services are to be supplied by a vendor with special knowledge, skills or expertise.
5. Upon determining that a tendering process is required, the Director of Finance will initiate the required tendering process.
 - a) The employee will solicit quotations and/or proposals through the following public advertising sources in accordance with the annual purchase value and applicable means of procurement:
 - i. Request from Vendors of Record;
 - ii. Agency website;
 - iii. Posting in member First Nations;
 - iv. Circulation to various vendors, consultants and/or professionals;
 - v. When a contract value is expected to exceed \$100,000, a solicitation may be advertised in newspapers.
 - b) The employee will issue a Request for Proposal or Request for Tender in accordance with the annual purchase value and applicable means of procurement. The request must provide the following information to interested contractors:

- i. Letter of invitation;
- ii. Statement of goods or work required;
- iii. Timeframe for delivery;
- iv. Proposal evaluation criteria;
- v. Bid submission date and time.

Selection and Award of Procurement		16-01.02
Section 16: Purchasing/Expenditures	Department: Finance	
Source Reference: Waabnoong Internal, Nogdawindamin and Sudbury-Manitoulin Children's Aid Society policy manual		

POLICY:

A Niijaansinaanik Child and Family Services Finance Committee will be used to review quotations, proposals and tenders that have an anticipated purchase value greater than \$75,000. The Director of Finance will prepare agreements.

PROCEDURE:

1. Members of the Agency Finance Committee will be comprised of the positions below:
 - a) Executive Director;
 - b) Director Finance;
 - c) Board President;
 - d) Treasurer; and
 - e) Other resource persons who may be have expertise in the service being contracted.

2. Factors that will be considered when selecting a vendor include the following:
 - a) Past performance of the vendor in delivering the goods or services;
 - b) Quality and level of service provided;
 - c) Suitability of the vendor;
 - d) Ability of the vendor to meet delivery requirements;
 - e) Avoidance of a real or perceived conflict of interest;
 - f) A monopoly hold by vendors will not be permitted;
 - g) Costs associated with conversion from an existing supplier to a new supplier; and
 - h) Preference will be given to an Indigenous vendor, if goods and services are of equal or greater value or quality.

3. Submissions in response to Requests for Proposal or Requests for Tender must adhere to the following:
 - a) Include time, date and method of delivery;
 - b) Received by the specified closing date and time;
 - c) If more than one bid is submitted by a vender, the latest bid will supersede all previous bids;
 - d) Bidders may withdraw a bid at any time by letter, bearing signature; and
 - e) Bidders may be requested to supply a list of all subcontractors to be utilized.

4. Quotations, proposals or tenders received are to be date stamped and filed, until the deadline date for submission. The seal on tenders must be maintained pending review by the selection committee. On the pre-determined date, the Selection Committee will open and review the submissions.
5. On the pre-determined date, the Finance Committee will open the quotations, proposals or tenders and review the submissions against evaluation criteria. The Finance Committee will select the bidder who best meets the evaluation criteria. The bidder will be awarded the contract, subject to approval by the Agency's delegated authorities. The lowest bid is not necessarily awarded the contract.
6. If no acceptable bid has been received, the Director of Finance may waive the need for a revised bid solicitation and enter into negotiations if:
 - a) The bid is in excess of funds approved by the Agency for the project, or
 - b) Written justification is provided to demonstrate that changing the bid requirements does not change the nature of the good and/or service required.
7. If equal bids have been received, The Director of Finance may:
 - a) Offer the bidders an opportunity to resubmit, or
 - b) Consider other factors that may change the equality of bids such as:
 - i. Payment discounts;
 - ii. Best delivery date;
 - iii. After sales service;
 - iv. Experience with the Agency.
8. If only one bid has been received, The Director of Finance may:
 - a) Return the bid and inform the bidder that the Agency may be reissuing the tender at a later date, or
 - b) Open the bid and assess whether it is acceptable. If the bid is not acceptable, The Director of Finance will follow the Policy for no acceptable bids.
9. Upon approval by the Agency's delegated authorities for the bid selection, The Director of Finance will verbally inform the candidate of the contract award.
10. The Director of Finance will prepare an Agreement which clearly states the requirements in detail, as follows:
 - a) Terms and conditions of the goods and/or service to be provided;
 - b) Time frame for the delivery of the goods and/or service;
 - c) Periodic evaluation of results achieved;
 - d) 10% holdback provision that will be released upon compliance with all contract deliverables.

11. The Director of Finance will coordinate the Agreement signing.
12. The delegated authorities will sign the Agreement on behalf of the Agency. Upon receipt of the Agreement signed by the Contractor, the Agreement will be forwarded to the Director of Finance for filing.
13. The Director of Finance may renew an existing agreement if:
 - a) The vendor's performance met the Terms and Conditions;
 - b) Written justification demonstrates that renewal is in the best interests of the Agency; and
 - c) Funds are available within the approved budget.
14. For all procurements greater than \$1,000 in value, the Finance Supervisor will maintain the following records:
 - a) Quotations, proposals and/or tenders received for the specific procurement;
 - b) Evaluation documents of proposals and/or tenders;
 - c) Approval document;
 - d) Agreement and amendments to Agreements;
 - e) Supplier performance records;
 - f) Confirmation of receipt of deliverables.
15. Procurement Records will be maintained in accordance with the Maintenance and Destruction of Records Policy #12-01.02.
16. The Director of Finance will review vendor performance and satisfaction with the procurement process on an annual basis and implement improvements as necessary.