

Procurement Policy



Date Created: 3/28/2019

Annual Review: Yes

Approval: Chief Executive Officer
Board of Directors

Applies to: All Programs

Procurement Policy:

Kenora Association for Community Living's procurement policy includes both policies and procedures covering purchasing and tendering for the organization.

Purchasing Policy:

Purchases made on behalf of Kenora Association of Community Living shall be made by designated individuals within approved limits. Purchase requisitions and payment requests shall have appropriate approval(s) prior to being processed. Employees may make minor purchases using petty cash or credit cards in compliance with specific procedures.

KACL adopts the Ontario Broader Public Sector (BPS) Supply Chain Code of Ethics (published on our website), with the goal of ensuring an ethical, professional and accountable BPS supply chain.

Tendering Policy:

Kenora Association for Community Living shall attempt, in all dealings, to obtain the best quality for the least cost; consistent with the maintenance of a satisfactory standard. Tendering of goods or services over certain value shall be done to ensure that the best possible price has been obtained. This applies to goods or services, which individually or in a total group exceed the specific value.

Purchasing Procedure:

1. Purchase requisitions and payment requests are to be made through Web Apps. All requests are routed to the appropriate individuals in accordance with the following limitations.

2. Limits for purchase approvals are:

| | |
|---|---|
| Program Directors (or designates) | To a maximum of \$1,000 |
| Chief Financial Officer and Chief Executive Officer | Items over \$1,000 to 1% of budget |
| Board of Directors | Items over 1% of budget (i.e. \$160,000 in 2018-2019) |

The Treasurer of the Board of Directors (or designate) reviews all invoice batches. The Chief Financial Officer reviews all payment batches.

3. The following are KACL's procurement methods for all goods, non-consulting services and construction:

| Value of Purchase | Means of Procurement | BPS Requirement |
|--------------------------------|--|--|
| \$0 to \$100 | Petty Cash / Corporate Credit Card / Purchase Order | Recommended |
| \$100 to \$3,000 | Corporate Credit Card / Purchase Order | Recommended |
| Over \$3,000 to under \$10,000 | Purchase order and/or Credit card Exception: Construction - requires three written quotes | Recommended - Purchase Order |
| \$10,000 up to \$100,000 | Three written quotes (must be kept on file by approving manager) | Recommended - Invitational competitive process |
| \$100,000 or more | Open competitive process: RFP or Tender | Required |

The following are KACL's procurement methods for all consulting services:

| Value of Purchase | Means of Procurement | |
|--------------------------|--|----------|
| \$0 up to \$100,000 | Three written quotes (must be kept on file by approving manager) | Required |
| \$100,000 or more | Open competitive process: RFP or Tender | Required |

4. The purchaser shall adhere to the policy on tendering (see below) when making purchases.
5. When items are received at any location, the receiver shall check the items to ensure they are correct and are of acceptable quality. If satisfied, they will forward a copy of the properly verified packing slip to the finance department. Items not received shall be noted on the packing slip.
6. KACL encourages the practice of investing in the local economy through procurement. In consideration of this, the Association regularly solicits alternative quotes on other supplies/services not previously addressed in this policy with consideration to quality, after-purchase service, and value for dollar, and opportunity for fair competition.
7. For those employees who are a KACL visa cardholder, all purchases using this payment method must follow the approval levels identified above.

Tendering Procedure:

1. Three competitive written quotes must be obtained for purchases of construction contracts, where the value exceeds three thousand dollars (\$3,000.00), purchases of goods and non-consulting services where the value exceeds ten thousand dollars (\$10,000.00), and for ALL consulting services. The purchaser shall attach quotes to the Web Apps purchase requisition.

Whenever the goods or services are valued at \$100,000 or more during the life of the contract, an Open Competitive Process must be followed, using a Tender or RFP process.

2. The purchaser shall consult with the Chief Financial Officer if it is not possible to obtain three competitive quotes.
3. For instances where there is a preferred supplier for goods or services, where the established guidelines require three quotes, a purchasing waiver (see attached), explaining the rationale must be signed by the appropriate approval level (outlined in #1 above). The waiver should then be attached to the purchase requisition in Web Apps.
4. Where the established guidelines require three quotes:
 - a. The purchaser shall ensure that potential suppliers are bidding on the same specifications.
 - b. The purchaser shall prepare a listing of bids, identifying the name of the bidder, the conditions of the bid, and the quoted price and make a recommendation for the approval of the Chief Financial Officer, in line with established guidelines.
 - c. The Chief Financial Officer shall review the information and make a recommendation to the Chief Executive Officer regarding the most appropriate bid.
5. The purchaser shall maintain a file on documentation relating to the purchase, including specifications, bids, pre-approvals, waivers, any explanatory information related to the unsuccessful bids.
6. The purchaser shall periodically obtain quotes on items whose value does not exceed \$3,000 per order, but the amount ordered a year exceed the \$10,000 written quotation amount. Professional services should be tendered every three years or when a contract period over.

[Competitive Purchasing Waiver Form – see attached]

Competitive Purchasing Waiver Form



Use when KACL cannot get 3 quotes or when there is a business case to use a preferred supplier

Form Prepared by: _____

Preferred Supplier: _____

Description of goods or services contract:

Policy

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Whenever the goods or services are valued at \$100,000 or more during the life of the contract, an Open Competitive Process must be followed, using a Tender or RFP process.

Business Case (or Reasons) for not getting three Quotations:

Approvals to use Preferred Supplier:

Chief Financial Officer

Date

Chief Executive Officer

Date