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Approved By: Paul Laperriere	Approval Date: June 2017
Next Review Date: June 2021	

1.0 Purpose

Hands TheFamilyHelpNetwork.ca (Hands) has an obligation and commitment to ensure that goods and services, including but not limited to: supplies, equipment, professional services and information technology are procured through a fair and transparent process.
This procedure specifies the procurement process requirements and authorization.

2.0 Scope

Procedure applies to: (Check all appropriate boxes for broad application)				
<u>Employees</u> x	<u>Volunteers</u>	<u>Board</u> x	<u>Services (list)</u>	<u>Other (i.e. clients, visitors, contractors)</u>

3.0 Responsibility

- 3.1 Employees** will follow the requirements for procurement as outlined by this procedure.
- 3.2 Supervisors/Managers/Directors/Board of Directors** will implement the appropriate procurement method as outlined below and provide approval as required.
- 3.3 Financial Services** will oversee the procurement process and maintain appropriate files

4.0 Definitions

Procurement means acquisition by any means, including by purchase, rental, lease or conditional sale, of goods or services

A purchase order is a written authorization from a buyer to acquire goods or services. The document authorizes a supplier to deliver to the buyer at the price, quality level, delivery date, and certain other terms specified in the agreement.

Request for Proposal (RFP) means a document used to request suppliers to supply solutions for the delivery of goods or services, or to provide alternative options or solutions. It is a process that uses predefined evaluation criteria in which price is not the only factor.



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Invitational Competitive Procurement means any form of requesting qualified suppliers to submit a written proposal in response to the defined requirements outlined by an individual/organization.

Requests for Pre-Qualification means any form of requesting qualified suppliers to submit a written proposal to pre-qualify them for specific types of future work. Relevant RFP's will be directed to this short-list of suppliers as the opportunities are identified.

5.0 Procedure

5.1 Approval Levels

Prior to securing goods or services, appropriate approvals are required dependent on the cost. In addition, to ensure effectiveness and efficiency, some types of procurement are coordinated by a specific department or function. Table 1 below defines approval levels for both budgeted and non-budgeted procurements

Table 1

Procurement	Value	Approval Authority
Budgeted goods/services	Up to \$2,000	Manager
	Up to \$5,000	Senior Manager
	Up to \$25,000	Director
	Up to \$100,000	Executive Director
	Over \$100,000	Board of Directors
Non-budgeted goods/services (including IT equipment and office furnishings)	Up to \$250	Manager
	Up to \$500	Senior Manager
	Up to \$10,000	Director
	Up to \$25,000	Executive Director
	Over \$25,000	Board of Directors

5.2 Purchase of Service Agreements

All purchase of service (POS) contracts are approved and signed by the Executive Director.

5.3 Procurement Process

5.3.1 To ensure procurements are fair, equitable and transparent, the procurement process varies depending on the cost and nature of the goods or services being procured. Hands will not discriminate or exercise preferential treatment in awarding a contract to a supplier as a result of a competitive procurement process. The competitive procurement process

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requirements for goods, non-consulting and consulting services and construction are detailed in Table 2, below.

Table 2

Goods, Non-Consulting Services and Construction		
Procurement Value	Means of Procurement	Recommended/Required
Up to \$50	Petty Cash	Recommended
\$50 to \$10,000	Purchase Order/Contract	Required
\$10,000 to \$100,000	Invitational competitive procurement, minimum three suppliers	Required
\$100,000 or more	Open competitive process	Required
Consulting Services		
Procurement Value	Means of Procurement	Recommended/Required
Up to \$100,000	Invitational or open competitive process	Required
\$100,000 or more	Open competitive process	Required

5.3.2 Procurement related to technology

Procurement related to Technology will be coordinated through the IT Department and approved by the Director of Corporate Services as required according to Table 1. The IT Department is also responsible for leasing or long-term rental of equipment.

5.3.3 Procurement related to Accommodation

The Senior Manager of Human Resources is responsible for coordinating procurement related to employee requests for special equipment or furnishings necessary for accommodation. The employee makes the request in writing including: a description of the equipment or furnishing needed, why it is needed, and, if possible, the approximate cost and a suitable supplier. The direct supervisor will sign the completed requisition before it is forwarded to the HR department for review and processing. Depending on the cost and/or nature of the equipment or furnishing, certification from the attending physician may be required. Senior Management may also be consulted in this process.

5.3.4 Office Supplies

Office supply order requests are processed through an assigned administrative staff in each location and approved by the Senior Manager Financial Services.

5.3.5 Purchase Orders

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Purchase orders are the primary means of procurement. Purchase orders (P.O.s) must be properly completed by the requestor and authorized at the appropriate level before purchasing/ordering can occur. One administrative employee in each site and the Finance Clerk, are responsible to: store P.O. forms in a secure location, allocate P.O.s in numeric sequence, and track all P.O. forms.

The requestor completes the P.O. form and returns the pink copy to the administrative employee for filing. Pink copies of the P.O.s are filed in numerical order in a secure place including any that have been voided.

5.3.6 Credit Cards

Agency credit cards are exclusively for purchases made for Hands' business and will not be used for personal purchases.

Each agency vehicle has a corresponding credit card to be used for purchases of fuel and other related vehicle expenses – reference FI-A-20 Expense Claims.

Credit cards are maintained in a secure location, signed out and used only with prior approval. All purchase receipts must be returned when the credit card is signed back in.

Financial services will pay credit card invoices by the due date to avoid incurring interest charges.

5.3.7 Credit Accounts

In situations where frequent purchases are made from a particular supplier, business accounts may be established by the Financial Services Senior Manager. Details of the account will be arranged with the supplier and will include spending limits. Designated programs will be notified of the details of the business account.

5.3.8 Invitational Competitive Procurement

A request for proposal (RFP) is developed and sent to three potential suppliers, where possible, with a defined response date. Responses received after the closing date will not be considered. Responses will be evaluated based on predefined criteria by a Director or evaluation team.

5.3.9 Open Competitive Procurement

A request for proposal is developed and posted for open competition. The RFP will be posted electronically on tender sites such as MERX which are readily accessible to potential bidders. The RFP will include a defined

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response date. Responses received after the closing date will not be considered. Responses will be evaluated based on predefined criteria by a Director or evaluation team.

5.3.10 Open Request for Pre-Qualification

Open Requests for Pre-Qualification follow the process described in 5.3.8. Successful suppliers will be short listed for future relevant RFPs.

5.4 Receipt of Goods or Completion of Service

Once received, orders are checked against packing slips and documented by initialing confirmation of contents received. Completion of service must be confirmed and to the expectations as documented in the purchase order and/or contract. Once satisfied, the requestor will sign the invoice.

Packing slips with confirmations and/or discrepancies will be forwarded to the Finance department.

5.5 Payment

Financial Services will match proof of receipt of goods with supplier invoices prior to processing payment.

Likewise, invoices for services received are verified and documented that the service was received to satisfaction prior to processing payment.

6.0 Linkages (cross reference to Policies, other procedures, legislation, regulations)

7.0 Policy Change History

Revision number	Date of Approval	Description of Change
		Revised to reflect...