
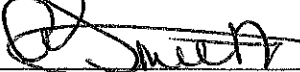


OPERATIONS POLICY MANUAL

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POLICY

Vita Community Living Services and Mens Sana Families for Mental Health (VITA) will obtain the best value for the materials, goods and services that it acquires (by purchase, rental or lease), will promote transparency and accountability and will maintain the highest legal, ethical, managerial and professional standards in dealing with its suppliers. Value includes price, quality and service.

The Organization will use a fair and open process when calling for, receiving and evaluating quotations and tenders from qualified suppliers and will meet all legislation and government requirements, e.g., Broader Public Sector Procurement Directive (BPSPD), Access for Ontarians with Disabilities Act (AODA).


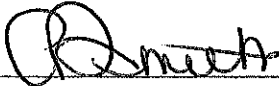
The VITA purchasing system or accounts established with its vendors may not be used for personal purchases.

DEFINITIONS

Vendors of Record (VoR): Are vendors who have already undergone a rigorous tendering process that is compliant with the BPSPD and which VITA is permitted to utilize under an existing contract. Whenever possible, VoRs should be the first contact when sourcing products or services. VITA must ensure that the VoR contract is properly followed when awarding work.

Should a VoR be unable to meet VITA's needs, an alternative supplier may be used, in which case an appropriate procurement should be conducted as outlined in the table below. Information on VoRs and alternative suppliers can be obtained from Finance staff. VITA is entitled to participate in VoRs contracted by the Ministry of Government Services, OEMC, VoRs in place with purchasing groups with which VITA is a partner/member and any VoRs which VITA has put into place through a properly conducted RFx process.

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Single Source: Single Source purchasing may occur only under very specific conditions as permitted under the BPSPD. These conditions are outlined on the *Waiver of Bid* form. Staff requesting a single source procurement must complete a Waiver explaining why the normal purchasing process cannot be used and must be approved by the Executive Director prior to beginning the negotiating process.

Sole Source: Where a product and/or service is unique and can only be purchased from one supplier. Staff requesting a sole source supplier must complete a Waiver explaining why the normal purchasing process cannot be used and must be approved by the Executive Director prior to beginning the negotiating process.



RFx: Any type of request for information/proposal/quote/bid whether one-time or multi-staged as determined by the needs of the product or service.

PROFESSIONALISM

Staff engaged in purchasing products and/or services must not engage in any activity that may create, or appear to create a conflict of interest, such as accepting gifts or favours, providing preferential treatment, having a personal or family interest in a firm bidding or awarded work or publicly endorsing suppliers or products.

Tendering, contracting and purchasing activities must be fair, transparent and conducted with a view to obtaining the best value for public money. All participants must ensure that public sector resources are used in a responsible, efficient and effective manner.

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PROCEDURES

Competitive Purchasing Requirements:



In compliance with the BPSPD, the following requirements apply to the purchase of products or services. Once a supplier has been selected, all quotes must be attached to the completed Purchase Order and retained in accordance with organizational retention policies.

PRODUCTS, NON-CONSULTING SERVICES, CONSTRUCTION			
Pre-tax Value of Product/Service	Means	Response Format	Recommended, Required
0 to \$9,999	Petty Cash, PCard, P.O. Email, Quotes, etc	Various	Recommended
\$10,000 to \$99,999	Invitational Process (written specifications; 3 quotes are recommended)	Written	Recommended
\$100,000 or more	Open Competitive (RFx)	Formal & Written	Required
CONSULTING SERVICES			
\$0 to \$99,999	Invitational with 3 suppliers invited) or Open Competitive	Written	Required
\$100,000 or more	Open Competitive (RFx)	Formal written bid	Required

Notes: All purchasing processes identified above must comply with VITA's Organizational Authority policy.

Prior to beginning an Invitational or Open Competitive Process, approval for the purchase must be obtained based on the values outlined in the *Organizational Authority* policy.

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Staff may not divide a single purchase into multiple orders to circumvent the above process.

Mandatory requirements for an invitational or open competitive process are outlined in the Broader Public Sector Procurement Directive.

Purchase Orders:



Where a Purchase Order is required, staff must follow the procedures below:

1. Complete the Purchase Order with the following information:
 - Name and address of recommended supplier (if known)
 - Date of order
 - Required delivery date (allow for transit and processing time)
 - Program and delivery address
 - Order details (i.e. quantities, item description, costs) or reference quote if attached
 - Quantity
 - Item description

2. Obtain the necessary authorization as outlined in the *Organizational Authority* policy. Purchases of repairs/maintenance, appliances, replacements and staff training are centralized and required the following **additional** approvals:

Purchase Type	Additional Authorization Required
Repairs/Maintenance	Director, Housing and Building Services
Appliances	Director, Housing and Building Services
Replacements	Director, Housing and Building Services
Staff Training	Director, Human Resources

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3. Forward completed and authorized Purchase Order to Purchasing. Once received, Purchasing will process the order within 5 business days, or will notify staff originating the purchase order if this is not possible.
4. Once the product is received or the service completed, authorize the packing slip and/or invoice, note the corresponding Purchase Order (if applicable) and forward to Accounts Payable.

Contracts:

Contracts requiring a formal Invitational Competitive or an Open Competitive RFX process will take longer and will be scheduled accordingly. This includes working with the appropriate department or group to:

- Evaluate the quality of the current vendor's product/service.
- Identify whether the contract meets current needs or if those needs have changed, develop a new scope of work or specifications.

Contracts will be authorized as outlined in the *Organizational Authority* policy.

EVALUATION

This policy will be reviewed annually by management.

Relevant Information:

Broader Public Sector Procurement Directive, Management Board of Cabinet (July 1/11)

5.00A Purchase Order Request Form

5.00B Supply Chain Code of Ethics

5.005C Request for Proposal Template

5.00D Waiver of Competitive Bid Form and Briefing Note

5.00E Sole Source Certificate

5.01 P Card Purchases

5.05 Petty Cash

2.04 Conflict of Interest

21.05 Organizational Authority