



Conseil Cri de la santé et des services sociaux de la Baie James

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Cree Board of Health and Social Services of James Bay

# CBHSSJB Purchasing Policy

## *Revised 2017*

Peter Bergeron  
Coordinator of Purchasing

# Outline of the Presentation

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- About the Purchasing Policy
- What's new in the revised policy
- Negotiation Summary form
- Measures to support implementation

# About the Revised Purchasing Policy

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- [Board Governance Policy #5 – Delegation of Authority](#), and [General Management Policy G-115-02-14 Concerning the Purchase or Lease of Goods and Certain Services](#).
- Intended to strengthen financial management and conform to Quebec Treasury Board [Law C-65](#) and MSSS Regulations.
- Governs all purchases, and leases of buildings and equipment.
  - Does not apply to certain professional service contracts and construction contracts.
- Implementation supervised by the Coordinator of Purchasing.

# Role of the Coordinator of Purchasing

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- Peter Bergeron
- Reporting to the Director of Finance, the Coordinator of Purchasing is responsible for the coordination of procurement by purchase or lease of goods and services for the CBHSSJB.

## Highlights of the Policy – What's New

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- New transaction limits – levels of authorization required to approve purchases.
- Cancellation of dual authorization of the RGS (Requisition for goods and services) and the PO (Purchase order) by managers. Only the RGS will be required to authorize a purchase
- Price quotations are mandatory only for purchases \$25,000 and above (former limit was \$2,000). Negotiation Summary form has been updated accordingly.

# Highlights of the Policy – What's New cont'd

- Increased approval levels for managers, as follows:
  - Coordinators: from \$2,000\$ to **\$5,000**
  - Directors: from \$10,000 to **\$15,000**
  - Director of Financial Resources: from \$15,000 to **\$25,000**
- Purchases and leases **\$25000-\$100,000** must have 3 quotes, with a few **specific exceptions**.
- Purchases **above \$100,000** to public tender through SEAO.
- RGS and PO can not be signed by the same person.
- Purchases **above \$2,500** may be treated as Capital Assets.
- Contracts are signed by the Executive Director.
- Negotiation Summary form to be filled out for all orders above \$25,000

# Transaction Limits – Levels of Authorization

Body / Position	Transaction Limit
Board of Directors	No Limit
Administrative Committee of the Board	Up to \$250,000
Executive Director	Up to \$100,000
Assistant Executive Director (AED)	Up to \$50,000
Director of Financial Resources	From \$15,000 to \$25,000
Regional and Local Directors	Up to \$15,000
Managers below Director (such as Coordinators)	Up to \$5,000
All other levels of staff	No Authorization

# Requisitions

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- Employees requisitioning goods or services must ensure that sufficient funds are available within approved budgets.
- An RGS must be submitted and approved by a superior officer in accordance with the appropriate level of authority.
- RGS cannot be submitted and approved by the same person.



## Choosing Cree Suppliers

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# Not more than 10% higher than lowest bid

- When feasible, the Coordinator of Purchasing shall encourage the use of local Cree entrepreneurs and suppliers.
- Preference will be given if the price is not more than 10% higher than the lowest bid submitted by other suppliers for products and services of comparable quality.

# Exceptions to the 3 quote rule

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- Unique supplier
  - Specialized medical equipment
  - Patented products
  - Sole supplier in region
  - Transportation costs
- Emergencies
  - *Lack of planning is not an 'emergency'.*
- Public interest
- Confidential nature

# Exception issuance for tender or price quote by mutual agreement

Document can be found  
on [Creehealth.org](http://Creehealth.org)

NEGOTIATION SUMMARY SHEET			
<p>IN COMPLIANCE WITH MSSS POLICIES AND LAW C85.18 REGULATIONS (AN ACT RESPECTING CONTRACTING BY PUBLIC BODIES) THE CHS&amp;B IS OBLIGATED TO FOLLOW THE GUIDELINES SET FORTH FOR ALL PUBLIC EXPENDITURES REGARDING CONTRACTS OR ACQUISITIONS OF GOODS AND SERVICES ABOVE A THRESHOLD OF \$25000. AS A GENERAL RULE, THE CHS&amp;B IS REQUIRED TO PROCEED WITH A TENDERING PROCESS IN ACCORDANCE TO THESE GUIDELINES PRIOR TO AWARDING A CONTRACT OR PURCHASE ORDER.</p> <p>THIS FORM MUST BE COMPLETED, BY THE REQUESTING AUTHORIZED OFFICER AND THE RESPECTIVE LEVELS OF AUTHORITY, SUMMARIZING THE GOODS OR SERVICES DESIRED, TOGETHER WITH THE RECOMMENDED SOLICITATION MODE. THE COMPLETED FORM IS THEN ATTACHED TO THE CORRESPONDING RFS.</p> <p>UNDER MITIGATING CIRCUMSTANCES, IF A TENDERING PROCESS IS ELUDED, THE AUTHORIZED OFFICER OF THE CHS&amp;B MUST PROVIDE IN WRITING, THE MOTIVES JUSTIFYING THAT A MUTUAL AGREEMENT WITH A SOLE SOURCE SUPPLIER IS REQUIRED (Sections 7-19)</p> <p>THIS FORM <b>MUST</b> BE COMPLETED <b>BEFORE</b> TO PROCESSING BY THE PURCHASING DEPARTMENT. (Please note that this document does not replace the need for RFS and, when necessary, board approval, nor is replaced by the letter)</p>			
RFS number :		PO number : (if available)	
Service/department name:		Subservice # :	
Supplier name :		Type of contract: (Goods, services or contracting)	
Contract title:		Contract number:	
Budgetary price:		Initial contract amount :	
Renewal option: (Yes/No)		Contract total amount: (Including option)	
Initial duration of contract		Contract total duration: (Including option)	
Starting date:		Ending date:	
<p>Necessary of goods or services requested:</p>  			
<p>Check the proposed solicitation mode :</p> <p>1- <input type="checkbox"/> PUBLIC TENDER: over \$100 000; in/notice to public; on Internet site (SEAO LAW C85.18 REGULATIONS (AN ACT RESPECTING CONTRACTING BY PUBLIC BODIES) LCCP</p> <p>2- <input type="checkbox"/> TENDER BY INVITATION: over \$25000 less than \$100 000; under writing of least 3 suppliers or by public invite SEAO MSSS POLICY</p> <p>REASON FOR NOT INITIATING A TENDERING PROCESS BY THE CHS&amp;B</p> <p>3- <input type="checkbox"/> GACEQ- tendering process already completed by the group purchasing /MSSS</p> <p>4- <input type="checkbox"/> PUBLIC BODY TO PUBLIC BODY- the tendering process is not required between 2 public bodies</p> <p>5- <input type="checkbox"/> PRICE QUOTE- price quote 3 suppliers without using the recommended tendering process Explanation:</p> <p>6- <input type="checkbox"/> * N/A -not applicable to Law C85.1, Regulations &amp; MSSS policy Explanation:</p>			
<p><i>continued ... 2002</i></p>			

# Items of a capital nature over \$2,500 are Capital Assets

- Good and Services of a capital nature of **\$2,500 or less** will be accounted for as an **operational** charge.
- Those having a value of **more than \$2,500** will be accounted for as **capital** expenditures and will be charged against their respective capital budgets.

# Do's and Don'ts

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## DO

- Read the policy carefully and ensure your staff also reads and understands it.
- Use the provided form to justify any exception to the 3-quote Rule.
- Ask for help or training for yourself and your staff

## DON'T

- Enter the RGS at the same time as the invoice
- Split purchases into smaller amounts
- Use lack of planning as a reason to avoid getting quotes

# Measures to support implementation

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- Policy available to all on the public website of the CBHSSJB
- Training for all concerned
- Negotiation Summary Form
- Internal audit
- Disciplinary measures for practices such as splitting

This policy can be found on our website under  
Employee Zone.

<http://www.creehealth.org/employee-zone/policies-and-procedures>



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QUESTIONS?





Meegwetch, Chiniskumitin, merci, thank you!