

2015

# PROCUREMENT GUIDELINES FOR PWRDF PARTNERS



**The Primate's World Relief  
and Development Fund**

THE ANGLICAN CHURCH OF CANADA

PWRDF FUNDED PROJECTS

THE PRIMATE'S WORLD RELIEF AND DEVELOPMENT FUND

## **1. Purpose**

The purpose of these guidelines is to ensure that goods and services purchased for the performance of a PWRDF grant are obtained in a cost-effective manner and in compliance with the **Canada Revenue Agency (CRA)** guidelines.

## **2. Scope**

These guidelines apply to all PWRDF funded projects/programs and any designees (“buyer”) authorized to initiate purchases on behalf of projects funded with PWRDF funds.

## **3. Responsibility**

The person (or person implied by the job title) stated in the contribution agreement of partner organizations for the grant is responsible for determining whether a purchase is allowable under the terms of the PWRDF grant. Though this person may be informed and supported in decision-making by a procurement team, (s)he is the final authority to ensure that purchases are made in accordance with these guidelines.

## **4. Code of Conduct**

All employees of partner organizations are expected to conduct themselves in a professional and ethical manner, to maintain high standards of integrity, and to exercise good judgment. Employees are expected to be principled in their business interactions and to act in good faith with individuals both inside and outside their organization.

The Code of Conduct shall govern the performance, behavior and actions of the Organization. This includes Board members, all employees, volunteers, or agents of the partner organization that might be engaged in procurement in some capacity. Procurement includes, but is not limited to the purchase of goods and services, awarding contracts, grants, and the administration & supervision of contracts.

No Board member, employee, volunteer or agent of the partner organization shall participate in the selection, award or administration of a bid or contract supported by PWRDF funds, should a real or perception of conflict of interest exist.

## **5. Overview**

Partner organizations are required to perform cost/price analyses when making procurement decisions using PWRDF grants.

Partner organizations must avoid purchasing unnecessary items. All vendor bids and quotations must be evaluated on the basis of technical specifications required, quality, timely delivery, total cost, and the vendor’s acceptance of partner organizations’ terms and conditions.

Price comparison/analysis must be performed, documented and stored for goods and services if their market value ranges between greater than or equal to CAD 200 and less than or equal to CAD 4,000. Goods in this value range are typically standard, off the shelf items. Price comparison/analysis is not required for good and services valued less than CAD 200.

The vendor selection process for goods and services in-between an excess of CAD 4,000 but less than CAD 20,000 requires that three (3) competitive, written quotations be obtained and stored.

The vendor selection process for goods and services greater than or equal CAD 20,000 requires a Request for Proposal (RFP) and 3 written competitive bids.

## **6. Vendor Selection and Bidding Requirements and Factors**

Buyers at partner organizations will consider the following questions before making a decision.

- Does the vendor provide the best mix of quality, service and price for the specified need? PWRDF requires that the lowest price have priority, unless quality, service or delivery time is of greater importance.
- Does the vendor qualify as a small, disadvantaged, minority or female-owned business? To the extent practical and financially feasible, affirmative action
- Does the vendor supply products and services that conserve natural resources, are energy efficient and protect the environment? Vendors fulfilling these factors should be given preference, to the extent practical and financially feasible.

## **7. Obtaining Competitive Bids**

Solicitations for goods and services will provide the following information.

- A clear and accurate description of the technical requirements for the material, product, and/or service desired. The description will not be designed to limit competitive solicitation from multiple vendors.
- Requirements that the bidder must fulfill and all other factors to be used in evaluating bids and proposals.
- A description of the technical requirements in terms of functions to be performed or performance required, including the range of acceptable characteristics or minimum acceptable standards.
- The specific features of “brand name or equal” descriptions that bidders are required to meet.
- To the extent practical, that products and service be dimensioned in the metric system of measurement.
- Preference, to the extent practical and financially feasible, for products and services that conserve natural resources and protect the environment and are energy efficient.

- Positive efforts will be made to utilize small-business, minority-owned firms and female-owned business enterprises, whenever possible.

## **8. Non-Competitive Vendor Selection**

Occasionally, a buyer is unable, or chooses not to competitively bid according to requirements stated. These situations are characterized as sole or single source transactions.

### **Sole Source:**

No other vendor capable of fully meeting the requirements exists.

### **Single Source:**

Alternative vendors exist in the competitive market, but the buyer chooses to solicit a bid from only one particular vendor because of technical requirements (precision, reliability) or past performance by other vendors (poor service, availability of parts). Buyers must fill out a **Sole Source Selection Form** and write a narrative justification for the non-competitive procurement. Additional information to justify sole or single source procurement should be presented to PWRDF.

## **9. Exceptions**

The Program Coordinator, the External Funding Program Manager, or the Development and Partnerships Program Director at PWRDF must approve non-competitive vendor selections and all other exceptions to these guidelines in writing.

### **Sole Source Justification Guidelines**

The sole source justification guidelines are to be used when writing justifications for a sole source procurement.

All documentation should be written clearly so that readers can easily understand the reason for the sole source procurement.

Each justification should contain a compelling rationale based on facts that may pertain to the following areas.

- identification of the reason why full and open competition was not possible
- a background statement that provides the history (e.g., funding source, constraints, etc.) of the procurement
- a description of the supplies or services required to fulfill a project need
- demonstration that the proposed vendor/subcontractor's unique qualifications, or the nature of the acquisition, justify sole source procurement
- a description of efforts made to ensure that offers were solicited from as many potential sources as practicable
- a determination that pricing/costs were fair and reasonable

- a description of the market research conducted
- the results or statement why market research was not conducted
- any other facts supporting the use of a sole source procurement and
- a listing of the sources, if any, that expressed in writing an interest in the acquisition.

## **Procurement Procedures**

All correspondence (e-mails etc.) with vendors/subcontractors must be a part of, and included in, the grant file.

### **Documentation Requirements for all procurements**

Buyers shall solicit competitive bids to the maximum extent practicable on the discretion of the person authorized to make procurement decisions at partner organizations.

### **Procurement between $\geq$ CAD 200 and $\leq$ CAD 4,000**

Price comparison/analysis must be performed, documented and stored for goods and services if their market value ranges between greater than or equal to CAD 200 and less than or equal to CAD 4,000. Goods in this value range are typically standard, off the shelf items. Price comparison/analysis is not required for good and services valued less than CAD 200.

### **Procurement between $>$ CAD 4,000 and $<$ CAD 20,000**

The vendor selection process for goods and services in-between an excess of CAD 4,000 but less than CAD 20,000 on the other hand, requires that **three (3)** competitive, **written quotations** be obtained.

### **Procurement $\geq$ CAD 20,000**

Request for Proposal (RFP) and 3 written competitive bids are required for procurement greater than or equal to CAD 20,000. Quotations/proposals must be requested in writing via a formal Request for Quote (RFQ), Request for Proposal (RFP), or equivalent, which clearly sets forth all requirements to be evaluated. The relevant Program Coordinator, External Funding Program Manager or the Development and Partnerships Program Director at PWRDF must be apprised of the full procurement process and review quotations/proposals. PWRDF must provide written approval for the quotation/proposal, prior to any commitment made to purchase or sign contracts or agreements.

### **Requests for Quotes (RFQs) and Requests for Proposals (RFPs)**

RFQs are used for straightforward procurements (e.g., hourly rate consulting agreements, and procurements for materials) while RFPs are typically used for soliciting proposals for negotiated, complex contracts. The RFQ or RFP is prepared by those responsible for procurement at partner organizations and signed by person authorized in the contribution agreement. The relevant Program Coordinator, External Funding Program Manager or the Development and Partnerships Program Director at PWRDF must review and approve the RFPs.

RFQs and RFPs should include:

- purpose
- general information, including deadlines
- statement of work, specifications, requirements, milestones and deliverables
- bid/proposal preparation and submission instructions
- evaluation criteria
- award notification
- instructions for budget and estimated pricing
- any special terms and conditions
- required vendor certifications

## **Procurement and Disposal of Goods**

Partner organizations must follow the procurement process for the purchase and disposal of goods.

1. Partner organizations are responsible and accountable for the procurement of materials, equipment and related services for the project.
2. Partner organizations should, where practicable, adopt a competitive process for the procurement of goods, assets and services for the project that enhances access, transparency, competition, fairness and value for results. Partner organizations should ensure that a reasonable number of suppliers are given an opportunity to bid. Situations should be avoided where there may be a bias toward awarding a contract for goods, services or assets for the project to one person or entity.
3. Partner organizations should maintain procurement files containing all relevant procurement documentation that includes, but are not limited to, purchase requisitions, tender documents, records of telephone bids, tender evaluations, contracts, purchase orders, invoices, and shipping and receiving documentation. Any procurement deviating from the provisions stipulated in section 2 above, should be fully justified and documented in procurement files.
4. For the purposes of this section, "best value" means the optimal combination of quality, service and time considerations, at the lowest cost over the useful life of the good, service or asset acquired for the purposes of the Project.
5. Partner organizations should dispose of all goods purchased with the contribution near the end of the agreement in line with the instructions specified in the contribution agreement.

**TEMPLATE for DFATD/PWRDF Project Capital Expenditures**

Partner organizations must follow the procurement process for the purchase of goods. Please refer to the document “Procurement and Disposal of Goods”.

Please list any vehicles, computers, still and video cameras, photocopiers, printers, fax, mobile phones, land line phones, bicycles, motorbikes, lab equipment for clinics (such as X-ray machines), office equipment (desk and tables but only if in large quantities), agricultural equipment (such as tractor, plow).

Country	Organization/Project Name	Item Purchased	Item Quantity	Unit purchase price	Year of Purchase	Serial Number	Ownership registration (Title, deeds, etc.)	Disposal (plans for use after end of project)

End.