Purchasing Policy

HiFlex Physio

1. Introduction

a) This policy is intended to provide the policies and procedures necessary for the conduct of purchasing activities for HiFlex Physio. This policy is designed to:

- Encourage maximum competition through fair and equal opportunity to those qualified and interested bidders.
- Provide a uniform procedure for the procurement of material, equipment, supplies, and services.
- Ensure that the stakeholders are getting the ‘best overall value’ for their dollars.
- Apply to all HiFlex Physio Centres under the authority of the Board of Directors.

2. Purchasing Procedures

a) All purchases require prior approval by the General Manager Finance.

b) All purchases and expenditures for service shall have a purchase order. The only exception is if the General Manager Finance has a written contract or agreement on file.

c) Purchase orders shall be issued prior to purchase.

d) Some of the factors considered when determining the ‘best overall value’ are:

i) Price

ii) Quality

iii) Warranty

iv) Service

v) Availability

vi) Past Performance with HiFlex Physio

vii) References

3. For Purchases

a) Under $500.00: Employees are encouraged to do whatever is practical to secure competitive pricing from multiple sources. The telephone quotation form may be utilised to document pricing.

b) Between $500.00 and $2,999.99: Informal bids from at least three sources must be obtained. Bids should be documented on the 'telephone quotation form' or may be supported by written quotations from vendors. This documentation should be attached to the purchase order (P.O.). General Manager Finance must approve the purchase prior to the issuance of a P.O.

c) Between $3,000.00 and $4,999.99: Informal written bids from at least three sources must be obtained. Faxed quotations are acceptable. Purchases must be supported by written quotations from vendors. Direct solicitation is allowed. Award of purchase requires the approval of the General Manager Finance.

d) Between $5,000.00 and $9,999.99: The formal sealed bid is used for major purchases. An invitation to bid must be publicly advertised at least fourteen (14) days prior to the date set for opening. Bid specifications require the approval of the Chief Executive Officer. Formal bids must be received sealed and in writing by a posted deadline.

e) Over 10,000: The formal sealed bid is used. Bid specifications require the approval of the Board of Directors.

All bids shall be opened at a date, time and place designated in the bid request. The Chairman of the Board, Chief Executive Officer, General Manager Finance or their designee and other staff members of the executive team shall open all bids under dual control. Late bids will not be accepted. Award of purchase or contract requires the approval of the Chairman of the Board, Chief Executive Officer, General Manager Finance depending on their authority and the amount of the tender.

If at least three bids are not received the General Manager Finance may require a re-bid.

4. Professional Service Contracts

Either the Request for Proposal (RFP) or the Request for Qualifications (RFQ) process (or a combination) may be used The primary difference between the two processes is that in the RFP process a specific proposal is received and evaluated. The proposal includes a scope of work and a cost proposal. In the RFQ process, Statements of Qualifications (SOQs) are received and selection is made upon those qualifications. In this process, a mutually acceptable scope of work and contract amount is negotiated with the successful bidder.

The RFP/RFQ must be approved by the General Manager Finance, must be in writing and must be received in the Head Office and publicly advertised at least fourteen (14) days prior to the date set for opening. Proposals or SOQs must be submitted in a sealed envelope marked with the name of the request as indicated in the instructions.

Proposals shall be opened at a date, time and place designated in the RFP. All proposals shall be opened under dual control by the Chairman of the Board, Chief Executive Officer, General Manager Finance (or their designee) and other pertinent executive staff. The proposals shall be analysed (based upon the 'best overall value' to HiFlex Physio) and documented including staff recommendation. Award shall be made by the Chief Executive Officer including approval of contracts.

5. Cases Not Requiring Bidding Procedure

The General Manager Finance may approve a purchase order without bid under the following conditions:

a) Item is within their delegated authority.

b) Only one known source of purchase, and there is no comparable substitute product or service; written documentation supporting the sole source must be provided.

c) Specific type or brand of supply or part necessary for acceptable operation of a machine or device, or as required by warranty or contract on the machine or device; written documentation supporting the purchase of a specific brand or part necessary for acceptable operation of a machine or device must be provided.

d) An item or service that is required on an emergency basis.

e) An item previously awarded within the past twelve (12) months.

6. Emergency Procurements

Emergency Procurements Definition: Emergency procurements may be made when a threat exists to public health, welfare or safety, provided that such emergency procurement shall be made with such competition as is practical under the circumstances.

In case of an emergency requiring immediate purchase of materials, supplies, equipment or services, the General Manager Finance hereby authorises the Centre Managers to approve such emergency purchase if the situation permits. The General Manager Finance shall be notified as soon as possible as to the emergency and the associated purchases. A written determination for the basis of the emergency and for the selection of the particular contractor or vendor shall accompany the purchase order and voucher. As soon as is practicable, standard purchasing procedures will be reinstated.

7. Artificial Division Prohibited

Purchases shall not be artificially divided so as to create lower purchase amounts and therefore avoid some requirements of this policy. Whether or not a proposed purchase constitutes artificial division shall be determined by the General Manager Finance.

8. Exceptions

Exceptions to the policy will be determined on a case-by-case basis by the General Manager Finance.

9. Local Advantage

As part of its business strategy, HiFlex Physio will make every effort to purchase from businesses located within the local area requiring the good or services if the purchase fits into the category of ‘best overall value’. It must be noted that HiFlex Physio employees have a responsibility to the stakeholders of HiFlex Physio to ensure that bids are awarded to vendors offering their products or services at the ‘best overall value’ to HiFlex Physio.

10. Cancellation And Rejection Of Bids

An invitation to bid, request for proposal, or other solicitation may be cancelled, or any or all bids or proposals may be rejected, in whole or part, as may be specified in the solicitation when it is in the best interest of HiFlex Physio. The reasons shall be made part of the formal bid file.

11. Pre-Qualifications of Suppliers

Prospective suppliers may be pre-qualified for particular types of supplies and technical and construction services.

A “Request for Qualifications” will be solicited and advertised in order to establish a pre-qualified vendors list. Upon establishment of a pre-qualified vendors list, requests for proposals or requests for quotations may be submitted to individuals or companies on the list.

12. Ethics In Public Purchasing And Contracting

It shall be unethical for any HiFlex Physio employee involved in making procurement decisions to have personal investments in any business entity that will create a substantial conflict between their private interests and their public duties.

It shall be unethical for any person to offer, give, or agree to give any HiFlex Physio employee, or for any HiFlex Physio employee to solicit, demand, accept, or agree to accept from any vendor or business, a gift or gratuity in any amount in connection with any decision, approval, disapproval, or recommendation concerning a solicitation.

Inexpensive advertising items, bearing the name of a vendor, such as pens, pencils, paper weights, cups, candy, calendars, etc., are not considered articles of value or gifts in relation to this policy.

Failure to comply with the provisions of this policy will result in disciplinary action.

13. Authority

These policies are adopted by the Board of Directors as it relates to their management of prudential affairs and their authority over expenditures for HiFlex Physio.