



VIDEA - Procurement Policy

Adopted: 2018

Updated: 2021, 2023

The purpose of the VIDEA Procurement policy is to outline the approval of commitments and expenditures for products and services made on behalf of VIDEA volunteers and employees, including:

- Commitment and expenditures of VIDEA resources
- Agreements with third party vendors and independent contractors

1. Policy:

The guiding principles of fair value for money, environmental impact, and justice considerations are the basis of all commitments and expenditures made by employees. Due consideration should be given to the responsible spending of donor funds. Commitment and expenditures should:

- Reflect sound business decisions that are appropriately documented and approved.
- Be based on arm's-length negotiations with independent and bona-fide suppliers at a fair price.
- Be undertaken in a professional manner as befitting a charitable organization and without compensations for the purchase selection.
- Consider the environmental impact of the production and transportation of goods;
- Consider the disproportionate disadvantage that Indigenous vendors may be at as a result of systemic colonisation, discrimination, and lack of opportunity.

2. Process

Guidelines for the purchase of goods, services, equipment and assets, applicable for all purchases over \$100. For anything less than \$100, the Petty Cash policy will apply.

- Internal control – identify need for goods/services
- Plan – validate need and understand requirement
 - Do we already have access to it? Could the item be borrowed or is there a volunteer to provide the service?
 - Propose expenditure to supervisor for pre-approval.
- Budget
 - Is it an expense that will be covered within a funded project?
 - What is the budget for this line item?
 - Request budget-to-actuals from the Finance Team to ensure that funds are available in this line.
 - If this expense isn't budgeted or is over-budget, how can we raise the funds? Does the

relevant supervisor approve the incurring of the expense and the possible raising of additional funds?

iv. Criteria

- Who is authorized to make the purchase? See #3. Dollar threshold below.
- For each individual item over the value of \$2000 - three quotations must be provided. If it is not possible to get 3 quotations, such as when there is only one hotel in the vicinity, or only one airline flying into a location, detail and a justification must be made on the quotation form.
- Does the purchase promote environmental sustainability? Value for money? Preference to Indigenous, local or fair trade. Give details on quotation form if purchase decisions are made on a basis other than cheapest option.

v. Document

- The VIDEA expense sheet or requisition form needs to be completed and signed by the employee/volunteer and supervisor, ensure all documentation is attached with rates, account codes and funds are correct. The expense or requisition form must be accompanied by a receipt or invoice prior to being presented to the signers for review and approval.

vi. Payment

- Once reviewed, and approved by the relevant supervisor, written approval must be requested from at least two authorized signers before the Finance Team can release the transaction.

3. Dollar Threshold

For expenses already approved by the Board and included in the annual approved budget process. All expenses that fall outside of the annual approved budget must be approved by the Board.

- Up to \$5000 – *Project Coordinators*
- Up to \$10,000 – *Project Managers*
- Up to \$15,000 – *Director of Programmes and Head of Operations*
- Up to \$20,000 – *Executive Director*
- Over \$20,000 – *board approval required*

4. (New) Vendors

In accordance with VIDEA mission and values statements, VIDEA reserves the right to deny any application from vendors whose practices or policies contravene our mission to support just and sustainable development, both in Canada and globally. All (new) vendors will be chosen according to the following:

- Thorough research and presentation on best possible product to meet our needs.
- Is there an alternative to this supplier, has an alternative been considered?
- Is the pricing fair/competitive?
- Disclosure of potential conflict of interest.
- Consideration of the environmental impact of the production and transportation of goods;
- Consideration of the disproportionate disadvantage that Indigenous vendors may be at as a result of systemic colonisation, discrimination, and lack of opportunity.

- vii. Once approved, all relevant details of the supplier must be provided on the VIDEA Contractor Form and given to the Finance Team to enter the required information into Sage 50 ie. Name of supplier, location, product/services provided, contact information, GST number, bank account or other payment details.
- viii. Finance Team will review details and verify bank account or other payment details to ensure payment is made.

5. Request for Proposals (RFP)

No competitive process will be required for purchasing and contracting on values of \$5,000 or less, unless directed by donor requirements. It remains always recommended that price comparisons be completed before confirming procurement and for comparisons to be documented.

A total of three quotes will be obtained and documented for all purchasing and contracting on values above \$5,000 to a maximum of \$50,000. An explanation will be maintained on file for all bids chosen, with clear rationale documented if chosen bid is not the lowest cost option.

**** A full RFP process will be required for all purchasing and contracting on values above \$25,000.*

Exceptions permitted with approval of Directors within position scope, budget and delegated authority limits:

1. Emergency
2. Only one supplier available
3. Contractual obligation

All exceptions must be clearly explained and documented in writing.

REQUESTS FOR PROPOSALS (RFP)

The Head of Operations will maintain templates and guidance for the completion of RFPs, which may be updated from time to time as required.

All RFPs are to:

- a. Indicate the requirements, the deliverables and the timeframe for the agreement.
- b. Ensure the RFP has specified any language requirements for the service.
- c. Be forwarded to at least three (3) suppliers/contractors
- d. Provide adequate notice and time for response, with a clear indication of the deciding authority) within VIDEA.
- e. Have considered environmental impacts and considerations that may need to be made during the RFP process to create an equitable footing for Indigenous contractors and contractors from systemically marginalized communities.
- f. Be approved by the Team Leader proposing to purchase goods or contract services, or by the Executive Director or Director of Programmes.

Upon receipt of the submissions the responsible Team Leader/Director must ensure that:

- a. The submissions are reviewed and assessed by at least two (2) other employees with either with knowledge of the project or activity, or from the Finance team.
- b. A written report is prepared outlining the reasons for the selection of the supplier to include:
 - i. Rationale for the selection of the supplier/contractor.

- ii. Comparison of the cost components and other specified conditions of the submissions.
 - iii. Recommendation as to the successful supplier/contractor.
 - iv. Terms and conditions of warranties, if any.
 - v. The commencement and completion date of the contract/agreement.
 - vi. For the purposes of this selection, “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.
 - vii. Environmental and justice considerations.
- c. This report, along with a copy of the RFP, shall form the file for the relevant contract. All documentation is to be kept available for audit purposes.
 - d. Once an RFP has been issued, no contract and/or agreement shall be signed or agreed upon without authorization, as follows:
 - For all “consultant for services” contracts, seek the approval of the Head of Operations to ensure contracting vs employment compliance of CRA or equivalent local laws.
 - e. Following written approval by the Team Leader responsible for monitoring the contract, after all the necessary approvals have been obtained, an official signer of VIDEA shall sign the contract/agreement on behalf of VIDEA.
 - f. A copy of the signed contract is to be provided to the Finance Department as back-up documentation for any payments made under the contract.

Additional Considerations:

- a. There may be cases where only 1 (one) supplier/contractor is available (Sole Source) for the service and/or goods; In this case a rationale must be provided in writing by the Team Leader responsible for monitoring the contract to the Programmes or Executive Director or designate for approval.
- b. There may be cases where a particular supplier is purposefully chosen for the service and/or goods. This is an exceptional circumstance and the rationale for choosing the supplier/contract must be provided in writing by the Director responsible for monitoring the contract to the Director of Finance and Operations or designate for approval.
- c. The environmental impact of the production and transportation of goods.
- d. The disproportionate disadvantage that Indigenous vendors may be at as a result of systemic colonisation, discrimination, and lack of opportunity.