



<p>Team Name: Logistics & Supply Chain Management</p> <p>Team Lead: Regional Manager Logistics & Supply Chain Management</p> <p>Approved by: Regional Lead – Corporate Services and Chief Financial Officer</p>	<p>Reference Number: ORG.1710.PL.003</p> <p>Program Area: Logistics & Supply Chain Management</p> <p>Policy Section: General</p>
<p>Issue Date: May 29, 2015</p> <p>Review Date:</p> <p>Revision Date: July 5, 2023</p>	<p>Subject: Tenders and Quotations</p>

Use of pre-printed documents: Users are to refer to the electronic version of this document located on the Southern Health-Santé Sud Health Providers’ Site to ensure the most current document is consulted.

POLICY SUBJECT:

Tenders and Quotations

PURPOSE:

Southern Health-Santé Sud will ensure that all material, supplies, services, equipment or construction are purchased at the best price possible, in a fair and professional method.

BOARD POLICY REFERENCE:

- Executive Limitation (EL-01) Global Executive Restraint & Risk Management
- Executive Limitation (EL-5) Financial Condition & Activities
- Executive Limitation (EL-7) Asset Protection & Risk Management

POLICY:

Tender:

Recognizing that, in general, competition will usually establish a fair market price for all material, supplies, services, equipment or construction, a tender is merely a formal invitation to interested vendors to quote in an attempt to establish a fair market price and to provide Southern Health-Santé Sud the best quality at the least total cost.

To ensure compliance with Shared Health regulations, tendering must be performed for the purchases within Canadian procurement value:

- of goods and services (**supplies, material, or equipment**) with an estimated value of seventy-five thousand dollars (\$75,000.00) or greater.
- of **construction services** with an estimated value of two hundred thousand dollars (\$200,000.00) or greater.

- of **consulting services** with an estimated value of seventy-five thousand dollars (\$75,000.00) or greater.

At the discretion of the Regional Manager of Logistics & Supply Chain Management or his/her designate, a tender may also be issued for supplies, material and/or equipment with an estimated dollar value less than seventy-five thousand dollars (\$75,000.00), where it is felt that the release of such a tender would result, based on prior experience, in a better quality product and/or a lesser price for the organization.

Requests for Quotation:

For purchases:

- of goods and services (**supplies, material, or equipment**) with an estimated value between \$25,000 (\$25,000.00) and seventy-five thousand dollars (\$75,000.00), a written quotation will be obtained from at least three (3) suppliers, wherever possible.
- of **construction services** with an estimated value between fifty thousand dollars (\$50,000.00) and two hundred thousand dollars (\$200,000), a written quotation will be obtained from at least three (3) suppliers, wherever possible.
- of **consulting services** with an estimated value between \$25,000 (\$25,000.00) and seventy-five thousand dollars (\$75,000.00), a written quotation will be obtained from at least three (3) suppliers, wherever possible.

For purchases lower than the above stated values, one (1) written quote is required.

Summary table:

FINANCIAL COMMITMENT LEVEL - GOODS, EQUIPMENT OR SERVICES	FINANCIAL COMMITMENT LEVEL – CONSTRUCTION	PROCESS REQUIREMENT
Less than \$25,000 (CAD)	Less than \$50,000 (CAD)	1 written quote
\$25,000 to less than \$75,000 (CAD)	\$50,000 to less than \$200,000 (CAD)	Minimum 3 written quotes or bids
\$75,000 or greater (CAD)	\$200,000 or greater (CAD)	Open Competitive Procurement

PROCEDURE:

Invitation to Tender:

Tenders require the following information which must be supplied electronically:

- Terms and conditions
- Supplier information
- Detailed specifications of the product
- Services or construction that is being requested

- Date for which the product, services, or construction is to be delivered or completed
- Tender closing date
- Warranty

The Regional Manager of Logistics & Supply Chain Management or his/her delegate shall be responsible for determining that all information and conditions on the invitation to tender are correct and complete in every respect. The Regional Manager of Logistics & Supply Chain Management or his/her designate shall be responsible for preparing a standard advertisement inviting tenders from all interested suppliers and shall arrange for the distribution of such advertisement electronically on the Internet.

All tenders received, either hand delivered, by mail, or electronically shall be date stamped upon receipt and shall be recorded in a tender registry.

Tenders shall be opened by the Regional Manager of Logistics & Supply Chain Management or his/her designate and the Senior Manager to whom the tender applies.

Request for Quotation:

A request for quotation shall be completed by the Logistics & Supply Chain Management department in sufficient detail to enable all potential suppliers to bid competitively and to suggest suitable substitutions where necessary.

Written requests for quotations should include the following information:

- Quantity
- Description
- Delivery requirement
- Special conditions
- Drawings
- Specifications
- Bid Close Date
- Reply to
- Delivery Terms
- Point(s) of shipment
- Terms of payment
- Warranty

Requests for quotations will only be solicited from qualified suppliers who meet all requirements.

The Regional Manager of Logistics & Supply Chain Management or his/her designate shall receive all requests for quotations, date stamp, examine for completeness, and log the appropriate information in a quotation registry.

Evaluation of Quotations/Tenders:

All quotations/tenders accepted for evaluation shall be checked as to completeness of information and accuracy of information. The quotation/tender shall be evaluated by considering all information submitted and such other information as may be deemed necessary by the Regional Manager of Logistics & Supply Chain Management or his/her designate. Potential suppliers are selected according to lead time, urgency of supply, technology of item requested, installation, service, prior experience, and such other criteria as may be deemed prudent under the circumstances. The quotation/tender with the lowest bid shall not necessarily be accepted if, in the opinion of the Regional Manager of Logistics & Supply Chain Management or his/her designate, other factors and criteria such as past performance, availability of supplies, price protection, service, etc., outweigh the dollar consideration.

A letter may be sent at the discretion of the Regional Manager of Logistics & Supply Chain Management or his/her designate to unsuccessful vendors providing such explanation as may be deemed necessary of why the particular vendor was unsuccessful in his quotation/tender bid.

REFERENCE:

Internal Trade Secretariat (1995). *Agreement on Internal Trade*. <http://www.ait-aci.ca/>

Government of Manitoba, Manitoba Health (January 10, 2012). Policy Category/Number HCS 200.16, *Bidding and Award of Construction Tenders*.

Government of Manitoba, Manitoba Health (February 6, 2013). Policy Category/Number HCS 200.21, *Selection of Consultant Services*.

Shared Health Policy 330.100.101: Purchasing and Contracting (June 10, 2023)