VENDOR PARTNER NEWS

HEALTH SHARED SERVICES SUPPLY CHAIN DEPARTMENT (SS-SCD) VISION:

an integrated supply chain model that ensures right products and services are available at the right place and the right time at the best price to support safe, efficient and effective health care

FUN FACT:

When referring to our Regional Health Authorities, we use the acronym "RHA".

We have four RHA's in Newfoundland and Labrador:

- 1. Eastern Health
- 2. Central Health
- 3. Western Health
- 4. Labrador Grenfell Health

October 2022











NOTICE TO VENDORS

Please be advised that all vendor representatives seeking access to RHA sites must have prior approval and/or invitation from the appropriate department or individual you wish to visit. For more information, please read our recent announcement here.

Three steps to keep in mind prior to visiting:

- 1. Set up appointments by calling ahead and speaking with the appropriate department/employee
- 2. Reconfirm by letting the department/employee know you are coming to ensure they will be available that day to avoid any disruption
- 3. Sign in at the building you are visiting to confirm it is okay to proceed to the appropriate department and prepare the employee for your visit

These steps will avoid any chance of delays to your schedule, disruption to an employee's workday and breach of privacy if you appear at the wrong time. The respect and courtesy of each vendor in this regard is appreciated!

E-BID BONDS

Did you know that all four RHA's will be moving to Surety E-Bonds as the **ONLY** acceptable form of bond (Bid Security/Labor and Materials/Performance etc.) to be submitted for any/all open calls with a bond requirement? Bonds in the form of bank drafts/certified checks etc. will no longer be accepted for any open call in which the RHA's have issued.

The requirement of E-bonds is beneficial to all parties involved and will provide a more convenient and simplified process for bond submission.

Advantages to the vendor to using Surety E-Bonds:

- Bonding increases the credibility of your company, as it attests to your excellent financial situation. It allows you to use the full operating line of credit granted by your financial institution.
- Bonding binds you to the surety, which gives you access to professional advice from lawyers, accountants, estimators and engineers.
- Bonding allows you to protect the confidentiality of your activity and provides protection in the event of unwarranted claims. Disputes are often based on contract interpretation.
- Bonding has the advantage of increased leverage. By rapidly informing the surety of tender results, the contractor can submit more tenders, leading to more contracts.

<u>Disadvantages to the vendor when submitting bonds in the form of certified checks/bank</u> drafts etc.

- Certified cheques do not establish your financial ability to assume responsibility for a contract.
- The financial institution normally deducts the amount represented by the certified cheque from
 the total operating line of credit. As long as the certified cheque is not returned to the financial
 institution, further funds are not available to the contractor for other contracts, as the credit
 margin will be insufficient.
- The financial institution does not have the expertise in your line of business to provide you with advice.
- Using certified cheques allows the bank to know how many tenders you submit and for what amount.
- Certified cheques are an irrevocable and unconditional guarantee that the client can exercise
 at his or her discretion. With certified cheques, it is unlikely that the client will come to an
 understanding with the contractor to complete the work.

We will be providing more information on the changes, process, requirements and benefits of E-Bonds in the near future so stay tuned to our website for details on upcoming information sessions!

INVENTORY MIN AND MAX LEVELS

To help prevent stock outs and to optimize our inventory levels, the Inventory Logistics Technology and Transportation department are working on adjusting their min and max levels within their main inventories to ensure that they have optimal levels for each item based on historical usage that will help to ensure replenishment of critical stockroom supplies as needed. As part of this optimization, we will provide our vendors with annual usages so that they can also demand plan based on our forecasts.

"Change is necessary in life – to keep us moving, to keep us growing, to keep us interested."

~Dr. Dennis O'Grady

