

Schedule A
Reporting of material exceptions in accordance with Section 15 of
the Broader Public Sector Accountability Act, 2010 (BPSAA)
For the period: April 1, 2017 to March 31, 2018

1. Exceptions to the completion and accuracy of reports required in section 6 of the BPSAA on the use of consultants;

No Known Exceptions

2. Exceptions to the Hospital's compliance with the prohibition in section 4 of the BPSAA on engaging lobbyist services using public funds;

No Known Exceptions

3. Exceptions to the Hospital's compliance with the expense claims directive issued under section 10 of the BPSAA by the Management Board of Cabinet;

No Known Exceptions

4. Exceptions to the Hospital's compliance with the perquisites directive issued under section 11.1 of the BPSAA by the Management Board of Cabinet;

No Known Exceptions

5. Exceptions to the Hospital's compliance with the business documents directive issued under section 13 of the BPSAA by the Management Board of Cabinet;

No Known Exceptions

6. Exceptions to the Hospital's compliance with the procurement directive issued under section 12 of the BPSAA by the Management Board of Cabinet

UHN has worked diligently to bring itself into full compliance with all the requirements of the Procurement Directive. UHN has been guided by the five key principles outlined in the Procurement Directive (delivery of quality patient care and other services, value for money, accountability, transparency and process standardization), and has endeavoured to comply fully with the requirements of the Procurement Directive. However there may be circumstances in which UHN has failed to comply with the strict letter of the Procurement Directive and these exceptions are noted below.

As anticipated by BPS Procurement Directive Mandatory Requirement 7.2.21 (Non-Competitive Procurement), a special circumstances exception to Mandatory Directive 7.2.18 (Term of Agreement Modifications) occurred in the form of extensions to contracts. These exceptions were made as a result of the special circumstances of UHN's strategic business decisions to align the close of active contracts with that of other related products or services; or for the purposes of entering a group procurement contract. This was done so that UHN could achieve optimum value for money by combining these opportunities into a single, competitive procurement. When all of the hospitals in the group have the same end date for their contracts, the Shared Services Organization will go to market with a competitive Request for Proposal (RFP).

Exceptions were also made when the time period required to prepare and conduct the complex and robust competitive RFP extended beyond the end of the current contract for this essential product or service. Given that these services are needed to maintain the operations of the hospital, the decisions were made to ensure continuous operation which meant extensions of some contracts. UHN and/or our Shared Services Organization (SSO), Plexxus, will continue to release competitive RFP's as soon as feasible.

Specific exceptions noted by UHN's SSO for procurements conducted on behalf of UHN are noted in the following table:

Agreement	BPS Procurement Directive Requirement	Observation	Action
Patient Meal Transportation	2 – Approval Authority	Requisition not provided for review.	Reinforce requirement to have requisitions and sourcing approval forms signed prior to commencement of sourcing activity. Activity signed off by appropriate authority.
Patient Meal Transportation	24 – Conflict of Interest	Non-disclosure agreements not provided for review.	Confirm all evaluation team members have signed the non-disclosure agreement (NDA) and conflict of interest (COI) forms. The use of a procurement checklist has been fully implemented. All procurement documents will be stored in the contract management system.
Supply of Premium Under Pads	24 – Conflict of Interest	NDA/COI forms not provided for all working group members.	Confirm all evaluation team members have signed the non-disclosure agreement (NDA) and conflict of interest (COI) forms. The use of a procurement checklist has been fully implemented. All procurement documents will be stored in the contract management system.

Specific exceptions noted by UHN for procurements are noted in the following table:

Agreement	BPS Procurement Directive Requirement	Observation	Action
Outpatient Pharmacy Distribution Services	13 – Competitive Procurement Thresholds	Open competitive procurement process not completed.	Corrective action not applicable. To maintain 0% mark up on all clinical pharmaceutical products distributed via agreements with manufacturers that were competitively procured. This procurement was approved by UHN's Chief Operating Officer, President & CEO, Finance & Audit Committee and Board of Trustees.