PROCUREMENT POLICY

Effective Date: December 1, 2021 **Approval Authority:** Board of Governors

Supersedes /Amends: April 26, 2013 **Policy Number:** CFO-20

PREAMBLE

This Policy regulates the Procurement of Goods and/or Services (as such expressions are defined below) made by Concordia University (the "University"). The terms, guidelines and restrictions contained in this Policy and its related *Procurement Handbook* serve to ensure the efficient, sustainable, economical, and ethical Procurement of Goods and/or Services while complying with the legislative and regulatory framework applicable to the University.

This Policy sets forth the following five principles, which collectively serve as the cornerstone for any Procurement activity conducted by the University:

- Accountability – The University is Accountable (as defined below) for regulating Procurement activities in reference to federal and provincial laws and directives, and for the results of Procurement decisions.

- Transparency – All stakeholders have equal access to information on Procurement opportunities, activities, and results.

- Service excellence – Procurement Services is focused on delivering high-quality service to all stakeholders throughout the Procurement cycle. This includes, without limitation, setting quality service standards, timely and transparent communications, employee training and support for the University.

- Continuous improvement – Procurement Services is dedicated to continuously improving Procurement operations, as well as promoting leading practices among employees and organizations involved in Procurement activities.

- Compliance and ethics – When conducting Procurement activities, the University is committed to acting with integrity and observing its legal and ethical framework at all times, based on expertise, fairness and reliability.

PURPOSE

Procuring Goods and/or Services is fundamental to the University's operations. These Procurements must be made in compliance with the legislative and regulatory framework and in accordance with best administrative practices. Therefore, the purpose of this Policy is to:

- ensure that publicly funded Goods and/or Services are acquired by the University through a Procurement cycle that is open, fair and transparent;
- outline responsibilities of Employees (as defined below) and Procurement Services throughout the Procurement cycle; and
- ensure that the Procurement cycle is managed consistently throughout the University.

SCOPE

This Policy and its *Procurement Handbook* applies to Goods and/or Services acquired by all faculties, departments, and units of the University and to all Employees of the University. Employees who acquire or wish to acquire Goods and/or Services must be duly authorized to do so by their faculty, department, or unit.

The following contracts and/or third-party transactions are out of the scope of this Policy:

- any agreement which is not a Procurement Contract (as defined below);
- the lease or rental of immovable property as well as any real estate transaction;
- any expenses incurred by an Employee for the University's operations, which are governed by the *Travel and Conference Policy* (CFO-3);
- any other contract and/or third-party transactions identified as out of scope of this Policy in the *Procurement Handbook*.

This Policy must be interpreted in accordance with the other relevant University policies.

DEFINITIONS

For the purposes of this Policy, the following definitions shall apply:

"Accountable" means having to answer for and justify decisions for work, action, or failure to act.

"Bidder(s)" means a Vendor (as defined below) who submits, or intends to submit, a bid in response to a call for tenders.

"Co-operative Procurement(s)" means an acquisition for the supply of Goods and/or Services through the *Centre d'acquisitions gouvernementales, Infrastructures technologiques Québec* or any other group purchasing organization.

"Competitive Procurement" means a set of procedures used to acquire Goods and/or Services through a bidding process.

"Competitive Tendering Threshold(s)" means the total dollar value of a Procurement (including the value of any renewal options but excluding taxes) at which a Competitive Procurement is required, as determined in the *Procurement Handbook*.

"Consulting Services" means professional, expert or strategic advice services provided by a Vendor under an agreement.

"Contract Owner(s)" means the individual that manages a Procurement Contract as outlined in the *Procurement Handbook*.

"Delegated Unit(s)" means a unit of the University to which Procurement Authority (as defined below) has been delegated by Procurement Services.

"Goods and/or Services" means any good or service, including, but not limited to, supplies, movable property and construction.

"Employee(s)" is deemed to include:

a) any full-time, part-time or temporary employee of the University, including staff, faculty, postdoctoral fellows, researchers, members of the administration, stagiaires and interns;

b) any physical or moral person engaged by the University on a consulting basis or in virtue of any other contractual agreement;

c) any appointee (including volunteers) of the University; and

d) any Governor, Director and/or Officer of the University.

"Non-Competitive Procurement" means a set of procedures used to acquire Goods and/or Services without a competitive bidding process.

"UCard Transaction(s)" means the authorized Procurement Channel (as defined below) used to purchase Goods and/or Services without a Requisition (as defined below) through the University Card ("UCard").

"Procurement(s)" means an acquisition of Goods and/or Services made through the Procurement Channels authorized by Procurement Services.

"Procurement Authority" means the right to perform Procurement activities in compliance with this Policy.

"Procurement Channel(s)" means, without limitation, any authorized process, procedure, platform or application through which a Procurement is made.

"Procurement Contract(s)" means a binding agreement for the supply of Goods and/or Services, including, but not limited to, a contract entered into by the University and a Vendor or a purchase order.

"Public Call for Tenders" means a public Competitive Procurement where Vendors are offered the opportunity to provide bids for Goods and/or Services.

"Public Procurement(s)" means a Procurement whose total value (including the value of any extension option but excluding taxes) is equal or exceeds the Public Tendering Threshold (as defined below).

"Public Procurement Laws" mean all applicable laws and government regulations, policies, decrees and directives, including without limitation and when applicable, the *Loi sur les contrats des organismes publics, RLRQ, chapitre C-65.1* (the "LCOP") and its associated regulations, the *Loi sur l'autorité des marchés publics, RLRQ, chapitre A-33.2.1* (the "LAMP"), and all laws, regulations, policies, decrees and directives applicable to Public Procurements.

"Public Tendering Threshold(s)" means the dollar value threshold determined by the government for a Public Call for Tenders, as outlined in the *Procurement Handbook*.

"Regulated Goods" means any Goods and/or Services whose Procurement, receipt, storage, transfer, distribution, return, destruction or disposition is regulated by any federal or provincial government entity, including, without limitation, any controlled substances, goods and products, nuclear substances and radiation emitting devices, biological materials and undenatured alcohol.

"RENA" means the "*Registre des entreprises non admissibles aux contrats publics*", being the register of businesses that are not admissible to public contracts adopted pursuant to the *Loi sur les contrats des organismes publics, RLRQ, chapitre C-65.1* (the "LCOP"). This register can be consulted here.

"Requisition" means a request to initiate a Procurement.

"Responsible" means having the duty to complete a task.

"SEAO" means the "*système électronique d'appel d'offres*", Québec government's electronic tendering system.

"Underrepresented Groups" means groups whose representation in a community does not reflect local and national demographic diversity due to historic and systemic exclusion, including, but not limited to, women, Indigenous peoples, persons with disabilities and visible minorities.

"Vendor(s)" means a physical person or a moral person, such as a company, that offers Goods and/or Services.

POLICY

Legislative Framework

1. All University Procurements must be made in compliance with Public Procurement Laws.

2. For the purposes of the LCOP, universities are deemed public bodies. The Public Procurement Laws provide for Public Procurement requirements for most Procurement Contracts and set out the procedures to follow, certain eligibility requirements of Bidders, certain conformity requirements of bids as well as the process for the adjudication of certain Procurement Contracts and reporting requirements, among others.

3. The Public Procurement Laws confer operational powers and decision-making authority directly to the Board of Governors (the "Board") but allow the Board to delegate all or part of these powers.

4. Pursuant to the Board Regulation BG-2008-10-D17, the Board has delegated the entirety of the powers that are conferred upon it by the LCOP and its associated regulations that it is empowered to delegate, to the President, or the relevant Vice-President and/or Secretary-General, the whole as outlined in the *Policy on Contract Review, Signing and Required Approvals* (BD-1).

Procurement Services

5. Procurement Services, a unit of Financial Services, is Responsible and Accountable for the Procurement of Goods and/or Services on behalf of the University. Where it is more efficient or functional for certain units to perform their own Procurement activities, Procurement Services may delegate its Procurement Authority to such units. Delegated Units are Responsible and Accountable to perform all Procurement activities pursuant to, and in compliance with, this Policy and all Public Procurement Laws.

6. Procurement Services and Delegated Units are each Responsible and Accountable for the Procurements under their responsibility, including ensuring the University's compliance

with the reporting requirements of the Public Procurement Laws. Other units and departments are Responsible and Accountable for ensuring that Procurement records required for reporting purposes are available to Procurement Services at all times.

7. When the Procurement of Goods and/or Services is subject to regulations of an external funding agency, and such regulations are more restrictive than the present Policy, Procurement Services and any Delegated Unit must ensure that the Procurement of such Goods and/or Services complies with the regulations of such funding agency.

Roles and Responsibilities

8. Formal roles and responsibilities of Procurement Services and key stakeholders involved in the Procurement cycle are outlined in the *Procurement Handbook*.

Procurement of Goods and/or Services

9. Goods and/or Services acquired with University funds must be for the sole benefit of the University.

10. Goods purchased with University funds are the property of the University. Unless specified otherwise by Procurement Services, Goods purchased with University funds must be delivered to the University premises.

11. Upon awareness of their needs, Employees are Responsible and Accountable for planning their Procurement, taking into account all steps of the Procurement cycle and all required approvals, including Board and governmental approvals, when appropriate.

12. Before initiating any Procurement, Employees must ensure that sufficient funds are available.

13. Any Procurement of Goods and/or Services on behalf of the University may only be made through the Procurement Channels authorized by Procurement Services in accordance with the *Procurement Handbook*, and is subject to all applicable internal and/or governmental approvals. The use of any unauthorized means (including, but not limited to, the University credit card or personal credit cards) to purchase Goods and/or Services on behalf of the University is prohibited.

14. With the exception of construction, all Public Procurements must be processed by Procurement Services, in collaboration with the relevant units and/or departments.

15. Goods and/or Services identified as disallowed UCard Transactions may not be purchased through the UCard, in accordance with the *UCard Procurement Guidelines* set by the University.

16. Regulated Goods must be procured through a purchase order, in accordance with the *Procurement Handbook*.

17. The University's UCard must be used exclusively for Procurements that have a valid University business purpose. In no circumstance can the UCard be used for expenses or personal purchases. Employees must ensure that UCard Transactions are managed in conformity with the *UCard Procurement Guidelines* set by the University and/or by the relevant funding agencies, and that sufficient funds are available for such Procurements.

18. The University has Procurement Contracts in place with Vendors for certain recurring Goods and/or Services. Before making any Procurement, Employees must verify if any Procurement Contract is available for the required Goods and/or Services and must purchase these Goods and/or Services through such Procurement Contract, in accordance with the *Procurement Handbook*.

19. Whenever possible, Procurement Services will promote and develop Co-operative Procurements to reduce the cost of Procurements. Employees must honour the commitments and comply with all Procurement Contracts entered into by the University, including Procurement Contracts resulting from Co-operative Procurements.

20. It is expressly forbidden to split or segment any Procurement (e.g. splitting a single Procurement into multiple Procurements) in order to circumvent regulatory requirements including, but not limited to, Competitive Tendering Thresholds and/or Public Tendering Thresholds.

21. The Procurement of Consulting Services is subject to the guidelines and requirements outlined in the *Procurement Handbook*.

Ethical Procurement

22. Whenever engaging in Procurement activities, Employees are expected to comply with the policies, guidelines and restrictions set by the University with respect to the risks of corruption and collusion in contract management processes.

23. Where Employees have knowledge of a conflict of interest, as such term is defined in the *Policy on Conflict of Interest* (BD-4), with an existing or potential Vendor of the University, they must report such conflict of interest in accordance with the *Policy on Conflict of Interest* (BD-4) or the *Policy on Conflicts of Interest in Research* (VPRGS-5), as applicable.

24. Responsibilities for Requisition, Procurement and payment activities must lie with different departments or, at a minimum, with different individuals. When it is not feasible to segregate such activities, adequate compensating controls approved by the Associate Vice-President, Financial Services and Controller must be implemented.

25. Employees must not discriminate or exercise preferential treatment in awarding a Procurement Contract to a Vendor.

26. Privileged Vendor information must be treated in strict confidence, preserved securely and used exclusively for the purpose for which the information was provided. This includes, but is not limited to, prices and pricing methods, bidding strategies, Procurement Contract terms and conditions, technology, specifications, drawings and know-how.

Vendor Relations

27. Employees are expected to maintain relationships with Vendors in a manner that contributes to and promotes fair competition in the market and protects the interests and reputation of the University.

28. Soliciting Vendors for donations, sponsorship or charity must be made in accordance with applicable University policies and guidelines.

29. In accordance with the Public Procurement Laws, the University has issued a *procedure for handling vendor complaints*. This procedure covers Vendor complaints filed by a Vendor during a Public Procurement.

30. Where the University has established standards of ethical, social, and environmental conduct, all Vendors are expected to comply with these standards throughout their own business practices.

Sustainable Procurement and Social Responsibility

31. Employees should take into account the guiding principles and commitments stated in the *Sustainability Policy* (BD-7) as related to their activities at the University, the whole in compliance with Public Procurement Laws.

32. Whenever engaging in Procurement activities, Employees are encouraged to favour the use and distribution of resources in an efficient, effective and ethical manner, support social rights extended to all people, encourage vendor diversity and leverage opportunities for the protection and preservation of the environment, the whole in compliance with Public Procurement Laws.

33. When it is in the best interests of the University to do so and when acceptable Goods and/or Services are readily available at competitive prices and comparable quality and service, the University will endeavour to procure Goods and/or Services from businesses with sustainable practices, businesses owned by members of Underrepresented Groups, local Vendors as well as small and medium-sized Vendors, the whole in compliance with University policies and procedures as well as with Public Procurement Laws.

Approvals and Controls

34. No commitment may be made, either verbally or in writing, by individuals who do not have signing authority in accordance with the *Policy on Contract Review, Signing and Required Approvals* (BD-1).

35. Only individuals with signing authority in accordance with the *Policy on Contract Review, Signing and Required Approvals* (BD-1) may sign a Procurement Contract or any amendment thereto.

36. The University's Contract Rules Compliance Monitor (Responsable de l'Application des Règles Contractuelles or "RARC") is Accountable for the University's compliance with Public Procurement Laws and for ensuring the integrity of the Procurement cycle.

Competitive Procurement

37. Competitive Procurement aims to obtain the best value for the University while enhancing access, competition and fairness. Employees must utilize Competitive Procurement in accordance with the *Procurement Handbook*.

38. Where the total expenditure equals or exceeds the Public Tendering Threshold outlined in the *Procurement Handbook*, Public Calls for Tenders are mandatory and must be posted on the SEAO. Only a designated Procurement Services employee or a Delegated Unit employee is authorized to issue a Public Call for Tenders.

39. Notwithstanding section 38, exceptional circumstances may require the University to utilize Non-Competitive Procurement above the Competitive Tendering Threshold. Employees may utilize Non-Competitive Procurement only in situations outlined in the *Procurement Handbook*. Prior to commencement of any such Non-Competitive Procurement, supporting documentation must be completed and approved in accordance with the *Procurement Handbook*.

Procurement Contract Management

40. Whenever standardized terms and conditions have been established by Legal Services, these standardized terms and conditions must be used for any Procurement Contract as specified in the *Procurement Handbook*. In special circumstances, some Procurements may be carried out according to other terms and conditions, as approved by the Senior Director, Procurement Services, in consultation with Legal Services.

41. It is prohibited to contract with any Vendor listed in the RENA.

42. Employees are Accountable for the thorough evaluation of their Procurement requirements and for ensuring that the scope of work is properly and accurately documented.

43. Contract Owners must manage Procurement Contracts responsibly and effectively. Payments must be made in accordance with the relevant Procurement Contract.

44. Once a Procurement Contract has been entered into between the University and a Vendor, Contract Owners are Responsible and Accountable for the review, approval and control of all expenditures incurred against such Procurement Contract.

45. Where applicable, Vendor performance must be managed and documented, in an on-going manner during the course of the Procurement Contract, and any performance issues must be addressed, as outlined in the *Procurement Handbook*.

46. Considering that any amendment of a Procurement Contract affects its terms and conditions, any Procurement Contract amendment must be documented and approved in accordance with the *Procurement Handbook* to ensure protection of the University and compliance with legal requirements.

Exceptions

47. With the help of process controls, Procurement Services analyzes Procurements which are considered contrary to University policies and regulations, informs managers and helps them rectify these situations. Any exception to this Policy or the *Procurement Handbook* is subject to the written approval of the Senior Director, Procurement Services prior to any Procurement being incurred.

Non-Compliance

48. Employees who willfully and/or repeatedly circumvent or materially fail to comply with this Policy or the *Procurement Handbook* may have their Procurement privileges suspended or revoked. The failure of an Employee to comply with the provisions of this Policy or the *Procurement Handbook* may constitute a disciplinary offence under the relevant provision, contract, or collective or employment agreement.

Policy Responsibility and Review

49. The overall responsibility for implementing and recommending amendments to this Policy shall rest with the Chief Financial Officer.

Approved by the Board of Governors on October 1, 1996, and amended on December 14, 1998, April 26, 2013, and March 10, 2021.