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To: Buyers, Procurement Services

Subject: **Unusually Low Price Tenders for IT Services Contracts**

AUTHORITY

The present Directive is issued under the authority assigned to Procurement Services by the Procurement Policy.

PART I – PURPOSE AND SCOPE

A large discrepancy between tender prices may result in particular from a misunderstanding of the request by the tenderers, an imprecise estimate that could lead to additional costs or disputes in the future, or the lack of experience of the tenderers concerned. It is then possible that the submitted price cannot enable the tenderer to carry out the contract on the conditions set in the tender documents without jeopardizing the performance of the contract. To ensure that significant discrepancies are rigorously analyzed to mitigate such risk, Procurement Services hereby issues this **Directive**, effective as of the date hereof.

PART II - INSTRUCTIONS

- 2.1. Whenever a fixed fee or mixed fees (mix of hourly rates and fixed fee) tender for IT services is the lowest by a margin of more than 15% (not accounting for any quality adjustment factor), the Buyer must initiate the Unusually Low Price assessment process.
- 2.2. The Buyer must request that the tenderer expose in writing, within 5 days, the reasons warranting such price.
- 2.3. If the Buyer, following their review of the response and in their professional judgment, no longer considers the price to seem unusually low, they proceed to contract award.
- 2.4. If the Buyer, in their professional judgement, considers the response insufficient to demonstrate that the price does not seem unusually low, the Buyer must proceed with the Unusually Low Price Tender assessment process described by Sections 35 to 40 of DIVISION III: TENDERS WITH AN UNUSUALLY LOW PRICE of the *Regulation respecting contracts of public bodies in the field of information technology*.