

POLICY NAME	SUSTAINABLE PROCUREMENT POLICY
Approving body	Board of Governors
Initial approval date	April 26, 2013
Date of last review	December 14, 2023 Note: This policy will take effect on May 1, 2024 .
Date of next review	December 14, 2028
Executive sponsor	Vice-President (Administration and Finance)
Related documents	<ul style="list-style-type: none"> • Policy on the Approval of Contracts and Designation of Signing Authority • McGill University Sustainability Policy • Regulation on Conflict of Interest • Policy on Enterprise Data Governance • Enterprise Risk Management Policy • Gift Acceptance Policy • Sponsorship Policy • Gift-in-Kind Policy • Policy on Responsible Use of IT Resources • Policy on the Disclosure of Wrongdoing

PART I – PURPOSE, SCOPE AND HIERARCHY

1.1. PURPOSE

- 1.1.1. The purpose of the Sustainable Procurement Policy (“Policy”) is to affirm the governing principles serving as the foundation for the University’s culture of ethical and responsible acquisition of resources.
- 1.1.2. The Policy establishes a single prevailing framework for the procurement activities of the University. By integrating institutional policies with the legal requirements for public procurement, the Policy enables procurement practices which help improve the University’s triple bottom line (social, environmental, economic) while delivering overall regulatory compliance.

1.2. SCOPE AND HIERARCHY

The Policy and its implementation documents govern all the procurement activities that are part of the procurement cycle (in relation to the acquisition of goods, services or construction works) carried out by any individual in support of the University’s mission, indiscriminately of the amount of the expense and of the source of funding. Any other governing document prescribing actions or behaviors in the performance of procurement activities must be interpreted in a way that is consistent with this Policy and its implementation documents. For clarity, this Policy and its implementation documents shall supersede

other University governing documents insofar as any part of the latter documents relate to procurement activities. The procedures that constitute the procurement cycle are as follows: “Define Needs”, which focuses on a holistic description of the University’s procurement needs and the risks involved in their fulfillment; “Develop Contracting Blueprint”, which focuses on deciding which combination of award method, contract standards and performance levers will lead to a contract that fulfills the needs while mitigating risks; “Award Contract”, which focuses on the implementation of the contracting blueprint to deliver an approved contract; and “Manage Contract”, which is about each party’s performance of its respective obligations.

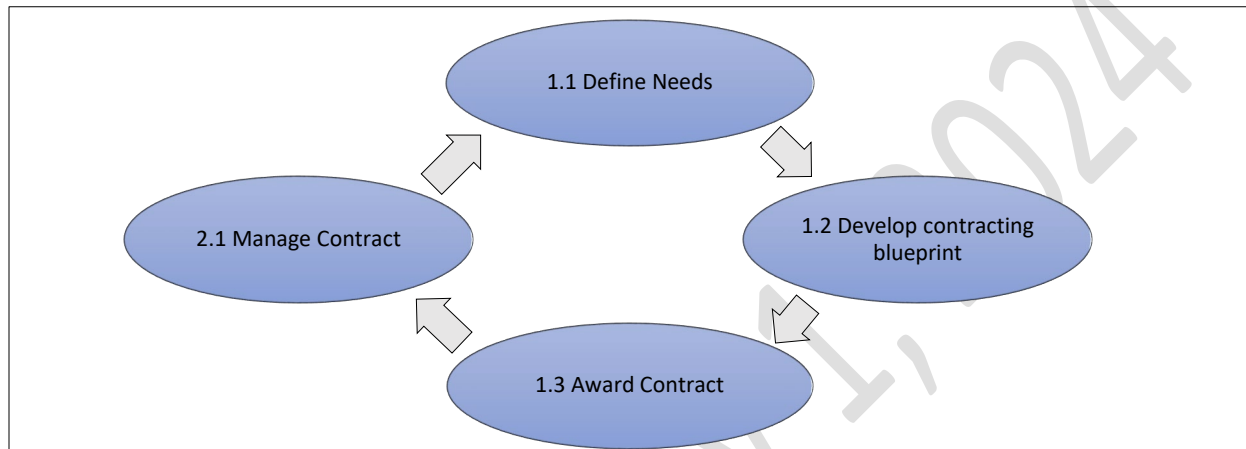


FIGURE 1: PROCUREMENT CYCLE

PART II – GOVERNING PRINCIPLES AND MCGILL STRATEGY

2.1. GOVERNING PRINCIPLES

The governing principles of *Integrity* and *Responsibility* aim to extend the University’s level of excellence to procurement activities and provide guidance on the reflections associated with ethical behaviour in a procurement context.

2.1.1. *Integrity* in procurement requires that University representatives consistently carry out procurement activities honestly and equitably.

- a) Motives are transparent and, more generally, information is shared fully and accurately with stakeholders.
- b) Decisions are based on the impartial evaluation of the merits of proposals (or contractor performance), in relation to needs defined in a neutral manner.

2.1.2. *Responsibility* in procurement requires that University representatives are committed to the University’s best interests and accountable for protecting its reputation and resources.

- a) Fair return for the use of resources is pursued, with meticulous consideration for risks and opportunities relative to the University’s triple bottom line (see 1.1.2 above).
- b) The needs are justified, confirming that the use of resources is reasonable to fulfill the needs and compliant with the University’s policies.

2.2. MCGILL STRATEGY

The McGill University strategy to implement the Policy leverages the referenced policies to reinforce the Governing Principles. The McGill Strategy is to employ a procurement model predominantly constructed on a commitment to merit-based, competitive tendering, to certify environmentally and socially responsible supply chain opportunities and protect the University's economic interests, thus supporting progress toward the University's triple bottom line, total acquisition cost objectives.

2.3. PROCUREMENT SERVICES

In support of the McGill strategy, the University entrusts Procurement Services with the responsibility to provide clear procurement direction and maintain a robust procurement process that is executed using suitable procurement tools.

- 2.3.1. Direction for all procurement matters shall reside with Procurement Services, hereby mandated with providing leadership in the procurement function through the administration of the Policy, empowered with the authority to see that it is respected, and entrusted with facilitating an ethical and productive relationship with contractors and potential contractors alike.
- 2.3.2. Procurement Services is the owner and custodian of the University's procurement process, designed to manage risk and opportunity through best-in-class contracting and performance oversight practices. The process rests upon the following procurement framework:
 - a) The *Standard on Procurement Exceptions*, which governs situations in which procurement contracts may be exempted from the commitment to competitive tendering;
 - b) *Procedures* that focus on the implementation of the Policy and set forth practices for carrying out procurement activities during the stages of the procurement cycle;
 - i. *directives* that complement procedures by detailing methods for carrying out procurement tasks in specific, pre-determined contexts;
 - ii. *guidelines* that complement procedures by providing recommendations for decision-making and carrying out corresponding tasks, in specific, pre-determined contexts.
- 2.3.3. Procurement Services maintains a services platform which hosts the tools necessary for the orientation and support of University representatives involved in procurement activities.
 - a) The services platform is bolstered by procurement systems and a collection of templates that reduce the risks associated with a decentralized procurement function and provide easy access to procurement know-how essentials:
 - i. by directing all acquisition transactions through its sanctioned procurement methods, systems which incorporate regulatory controls and record-keeping requirements;
 - ii. by augmenting key procurement activities with templates that incorporate best practices of cost predictability and performance guarantees.
 - b) Procurement Services complements its services platform with continuous, dynamic training on the basics of the procurement direction, process and tools.

PART III – AUTHORITY

- 3.1. The Vice-President (Administration and Finance) shall hold authority to approve procedures, directives and guidelines hereunder, and may delegate authority to approve directives and guidelines.

PART IV – REVIEW

- 4.1. This Policy shall be reviewed every five years.
- 4.2. Notwithstanding the foregoing, the Vice-President (Administration and Finance) may, at any time between these mandatory reviews, submit revisions to the Policy for review and approval.

Legislative History:

Approved:

Board of Governors

April 26, 2013

Minute 13

Revised:

Board of Governors

April 26, 2018

Minute 13

Board of Governors

December 14, 2023

Minute 14.2.1