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.
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.

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;

c) *Directives* that complement procedures by detailing methods for carrying out procurement tasks in specific, pre-determined contexts;

d) *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:

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PART I – PURPOSE AND SCOPE

1.1. The purpose of the Standard on Procurement Exceptions (the “Standard”) is to establish criteria, and rules of interpretation for assessing and determining whether a situation may be exempt from the commitment to a competitive tendering process provided for within the applicable regulatory framework.

1.2. The Standard is to be read in conjunction with the Sustainable Procurement Policy (the “Policy”). The expressions used in the Policy, as well as the Policy’s scope, governance hierarchy, governing principles, strategy and description of responsibilities, fully apply to the Standard.

PART II – CONTENT

2.1. To be eligible for exemption from the competitive tendering process, the contemplated acquisition must meet one or more of the criteria below and the determination of whether such criteria are fulfilled must be reached exclusively by McGill University Procurement Services:

2.1.1. The goods, services or construction works will be acquired at no cost (i.e., “free of charge”, with a straight invoice cost of zero dollars);

2.1.2. The goods or services being acquired fall within a category and financial threshold that are authorized by the University’s Pcard Directive;

2.1.3. The goods or services will be acquired from another institution (higher education or healthcare organization, municipality, etc.). The determination of an entity’s institutional character shall be achieved by way of an assessment of the organization’s mission and statutes, and is not limited to its name;

2.1.4. The goods, services or construction works are currently being acquired under a contract that is expiring and the disruption caused by a contractor change would be significantly detrimental to the University’s triple bottom line total acquisition cost goals. The disruption cannot be the result of a lack of planning or delayed execution of the steps of the procurement cycle;
2.1.5. A single potential contractor has been identified for the provision of the goods, services or construction works being acquired and following a serious and rigorous market research exercise, the University deems that competition is not possible, due to one of the following reasons:

a) The potential contractor is the exclusive holder of the legal rights required to fulfill the needs of the University, or provides the University with a compatible solution, without the University needing to make unreasonable compromises. In such a case, it will be necessary for the potential contractor to demonstrate (with third party supporting documentation, where appropriate) that it is the holder of the exclusive licence, patent, moral rights or any other right to legally deliver the required goods, services or construction works to the University, as the case may be.

b) The potential contractor is the sole party able to meet the contract requirements. Such contract requirements may include, but are not limited to, technical specifications, service levels, magnitude, quantity, pace or circumstances of execution. In such a case, the contract requirements must reflect characteristics that are strictly necessary for the University’s needs to be met without the University making unreasonable compromises.

c) The goods, services or construction works being acquired are of a confidential nature, to a degree which prevents the dissemination of information typically necessary to conduct a competitive tendering process.

d) The potential contractor is able to provide exceptional conditions which benefit the University’s triple bottom line total acquisition cost goals to a level which competition cannot reasonably be expected to replicate.

2.1.6. Following a competitive tendering process which yielded no results, a potential contractor has been identified based on a previously conducted serious and rigorous market research exercise (as well as on the potential contractor’s corroborating performance as a participant in the competitive tendering process, as the case may be). In such a case, there must be no evidence or reasonable expectation that a new competitive tendering process would deliver improved results, and the contract by mutual agreement must be entered into within a timeframe that does not affect this premise.

2.1.7. The goods, services or construction works being acquired are required in order to manage an unforeseen emergency situation where the safety of people or property is at stake and the University requires such goods, services or construction works in order to maintain its delivery of teaching and research services.

2.1.8. The goods or services being acquired are subject to the terms and conditions of a framework agreement put in place by the government and approved for contracts by mutual agreement. Such framework agreement includes a list of predetermined potential contractors and are approved by way of regulation or government decree.

2.1.9. The main object and purpose of the contemplated transaction is the acquisition or rental of land, existing buildings or other immovable property or the rights thereon.

2.2. For the avoidance of doubt, the procurement process applies to all acquisitions eligible for exemption from the commitment to a competitive tendering process, with appropriate adaptations to be determined and implemented by Procurement Services.