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## Policy DJ

### Purchasing & Procurement

The purchase of goods, services, or construction work from a supplier, service provider or contractor for all schools, centres, and departments of the New Frontiers School Board (NFSB) is subject to applicable laws; primarily the *Education Act*, the *Act Respecting Contracting by Public Bodies* (LCOP) and their related governance regarding *Supply, Service and Construction Contracts of Public Bodies* (C-65.1, a.26), the requirements of inter-governmental orders and agreements on liberalization of trade signed by the Quebec Government, and the NFSB's Delegation of Powers By-Law (BLA).

#### SCOPE

This policy applies to all operating and capital expenditures made for approved NFSB budgets of schools, centres, and departments. Other governance supporting this policy includes:

- Organizational Guide DJA – Purchasing Levels of Authority
- Organizational Guide DJB – Purchasing Procedures
- Organization Guide DJC – Internal Controls for Contracting
- Organizational Guide DJE – Tendering Procedures

This Policy provides the framework for the purchase of goods, services and construction work. Specifically, to:

- Provide the key requirements of the governance under which this policy is developed.
- Summarize the general principles for the purchase of goods, services, and contracts.
- Define the process for purchasing in the public sector.
- Establish guidelines and thresholds for tendering, awarding, and reporting of public contracts.
- Identify transactions exempt from the provisions of this policy.
- Clarify the legal responsibilities of NFSB for accountability and reporting on purchasing activities.

#### ORIENTATION

Related to the *Act Respecting Contracting by Public Bodies* and its by-laws and supporting regulations, this Policy promotes:

- Transparency in contract awarding.
- Treating competitors equitably and honestly.
- The participation of qualified competitors to bid in NFSB tenders; using effective and efficient contracting procedures which include an appropriate and thorough assessment of needs and requirements, while considering the Government's orientations of sustainable development and the environment.
- Establishing methods of quality assurance goods and services purchased.

#### KEY REQUIREMENTS

- The Council of Commissioners is designated the “Chief Executive Officer “, responsible for monitoring and reviewing NFSB purchases.
- The Council of Commissioners may delegate this role to the Director General. No further delegation is permitted under the Law.
- The *Law on Integrity in Public Contracting* requires the appointment of an officer to ensure application of the purchasing practices within each public body. This officer is designated the RARC (*Responsable de l'application des règles contractuelles*), and is responsible for:
  - Evaluating the application of contractual rules laid down in the Act and related regulations, policies and governance.
  - Advising the Director General and providing recommendations or opinions on the application of purchasing governance within the organization.
  - Overseeing the implementation of measures within the organization to ensure the integrity of internal controls.
  - Exercising any other function that the “Chief Executive Officer” may request to ensure compliance with contractual requirements.

- To effectively carry out this mandate, the officer *Responsible for the Application of Contracting* (the RARC) should:
  - Be in a position of authority (to be able to report objectively)
  - Not be the buyer or a member of a purchasing selection committee.

## GENERAL PRINCIPLES

### The NFSB:

- Manages assets including obtaining the lowest possible cost when acquiring goods and services, considering their usage, quality, and delivery as well as after- sales service.
- Relies on competition between suppliers while ensuring fair treatment.
- Bases the purchase of supplies with written specifications.
- Encourages purchasing choices that reduce consumption, are healthy, and reuse materials when possible.
- Must adhere to the ministerial order by the President of Quebec’s Treasury Board of November 17, 2020, which decreed the first cross-sector goods and services that School Boards will now have to acquire using the CAG (*Centre of Acquisitions through the Government*). Please see OG DJB for details and updates.
- Benefits from centralized contracts and purchasing agreements.
- Is required to purchase from the list of selected suppliers, service providers or contractors and must respect the terms and conditions defined in such agreements.
- Favors purchase of goods and services originating from Québec suppliers, service providers or contractors from its region whenever provisions under the Act respecting contracting by public bodies and its regulations permit, and if there is sufficient competition in the region for the type of service required in the tender call.
- Favors, when possible, a rotation system among suppliers, service providers or contractors involving an acquisition.
- Assesses contractual needs, groups orders that may be awarded in response to a need or initiative, if it is reasonable to determine that the activities to be undertaken or needs to be fulfilled are connected by a specific objective, scope, start-date, and end-date.
- Ensures that the RARC and the Director of Material Resources remain current in their understanding of the Laws relating to purchasing and procurement, within which this governance is developed and understood.

The Chief Executive Officer must approve exceptions to the requirements of the purchasing policy in advance and is responsible for ensuring the NFSB’s compliance with the release of information requirements (see Accountability Reporting section of this policy) of the *Act Respecting Contracting by Public Bodies* and its bylaws.

## PURCHASING PROCESS PRINCIPLES

The awarding of contracts includes these four principles:

1. Purchases may not be split or segmented to avoid the requirements under this and related governance.
2. NFSB must always select the lowest cost supplier unless:
  - a. A quality-based selection process is undertaken with the approval of the Director General, who must see to the formation of a Selection Committee and appoint a Secretary to it.
  - b. The supplier qualifies as a sole-source supplier under the law.
  - c. The purchase is an emergency as defined under the law.
  - d. The product or service being purchased is specifically exempted under the law (see below).
  - e. The supplier has been pre-selected by a compliant selection process at NFSB or by a recognized purchasing group.
  - f. The Chief Executive Officer must approve any exception in advance.
3. NFSB must use tendering methods that ensure broader competition (and opportunity for suppliers) as the value of the contract increases.
4. NFSB must maintain documentation supporting the decisions made in awarding contracts.

## TENDERING METHODS

The selection of tendering methods for contracts related to the purchasing of goods or services of a technical nature (other than professional services and construction work) is based in Canadian dollars, excluding taxes.

Public Call for Tenders	Written and published tender is provided to potential suppliers	For contracts valued at \$100,000 or more
Invited Call for Tenders	An invitation to tender is submitted to a minimum of three suppliers	For contracts valued at \$50,000 and less than \$100,000
Mutual Agreement Contract	Requirements are communicated directly with at least one supplier	For contracts valued at less than \$50,000

*Tendering and awarding of contracts, are outlined in Organizational Guide DJE – Tendering Procedures.*

### **Notwithstanding the above:**

NFSB may, with the authorization of the Chief Executive Officer, award a contract by mutual agreement with an individual not operating a personal business (sole proprietorship). The value of a contract awarded in this manner may not exceed (\$25,000).

NFSB may use mutual agreement contracts for professional service contracts estimated at an amount less than 100,000 if the fee is set by legislation, or to a pre-set standard. In this case, NFSB selects the professional service provider that, in its opinion, is most able to provide the services required.

### **EXCEPTIONS UNDER THE PURCHASING POLICY**

The following items are exempt from the application of the tendering provisions:

- Salary deductions from legal or statutory obligations.
- Expenses incurred from collective agreements.
- Expenses incurred for membership fees, travel, and representation.
- Hiring of experts and professionals as defined in the Act and Regulations – Buildings and Equipment only.
- Public, electric, and telephone utilities (excluding long-distance services), etc.
- Contracts for student transportation (morning and afternoon).
- Goods/services regulated by ministerial decree.
- Single source items (example: textbooks/specialized equipment, GRICS).
- Purchases using funds raised by students.

### **AWARDING OF CONTRACTS**

- The method for awarding contracts must be clearly indicated in the tender documents or be discussed with suppliers, as applicable (Reference Tendering Procedures - OG DJE).
- The commitment towards a supplier, service provider or contractor must be confirmed by the signature of contract or by the issuance of a purchase order (Reference Purchasing Process – OG DJB).
- Any contract or purchase requisition must be authorized and signed by an authorized NFSB administrator, as described in the Delegation of Powers By-law, or in OG DJA.

### **ACCOUNTABILITY REPORTING**

- As per Article 22 of the LCOP, NFSB must publish all contracts entered into with a value greater than \$25,000 before tax. NFSB uses “Le Système Électronique D’Appels D’offres du Québec” (SEAO)
- Article 26 of the LCOP provides for the *Conseil du trésor* to issue directives that apply to all public bodies, or to one or more particular groups of public bodies.
  - NFSB shall provide timely reporting to the *Secrétariat du conseil de trésor* consistent with the “*Politique de gestion contractuelle concernant la reddition de comptes des organismes publics*”.
  - The Board shall provide timely reporting to the Ministry of Éducation (MEQ), consistent with the requirements of the “*Politique de gestion contractuelle concernant la conclusion des contrats d’approvisionnement, de services, et de travaux de construction des organismes publics du réseau de l’éducation*”.
- NFSB will maintain a system of record keeping that facilitates tracking and reporting of contracting activity.

### **OTHER PROVISIONS**

- The NFSB director designated to be the RARC (*Responsable de l’application des règles contractuelles*) functions as a resource for all employees in assessing the application of this Policy and related governance for the purchasing of goods, services, or construction projects.
- In case of disagreement between this policy and the *Act Respecting Contracting by Public Bodies* and its Regulations, the Act and its Regulations have precedence.

End.