

BRIEFING NOTE

TO: Board of Directors

FROM: Governance Committee

DATE: March 1, 2022

SUBJECT: 6.3 Content Review of the Vendor Relations & Procurement Management Policy 2-05

For Decision

For Information

Monitoring Report

Purpose:

To carry out a scheduled content review of the Vendor Relations & Procurement Management Policy 2-05 for the purpose of determining whether any amendments are necessary.

Background:

It is the responsibility of the Board to develop, approve, update and evaluate implementation of its governance policies. Appendix 2 to the COO's Policy Governance Manual sets out a review schedule for all policies in the manual. The purpose of reviewing the policies on a regular basis is to ensure that they continue to be relevant and serve the function that they were implemented for.

For Consideration:

The Vendor Relations & Procurement Management Policy 2-05 was approved by the Board on October 1, 2018 and is slated for evaluation of its content this year.

The original policy with the proposed revisions is redlined in **Appendix A** and below a clean version, **Appendix B** is also attached. The proposed updates aim to streamline the policy to ensure that it is clear, easy to follow and consistent with the changes to the language of the Policy Governance Manual that has evolved over the last five years.

Public Interest Consideration:

The Board has recognized the importance of strong governance in order to carry out its object of regulating the profession in the public interest and has invested significant time and resources into updating its governance policies and processes. Reviewing the content of these policies ensures that policies are consistent and effective, and that the College is up to date with regulations, technology, and regulatory best practices.

Diversity, Equity and Inclusion Considerations:

It is incumbent on the Board to consider whether the policy update is consistent with the COO's organizational values relating to diversity, equity and inclusion.

Recommendation:

To approve the updates to the Vendor Relations & Procurement Management Policy 2-05 as recommended by the Governance Committee.

POLICY TYPE: OPERATIONAL BOUNDARIES

2-05 Vendor Relations & Procurement Management Policy

PURPOSE ~~Policy Purpose:~~

~~The purpose of this policy is to~~ outline the Board's expectations of the Registrar, CEO regarding fair and ethical relationships with vendors and the principles and risk boundaries related to the procurement process.

POLICY

With respect to interactions with vendors, those applying to be vendors and the procurement process, the Registrar, CEO shall not cause or allow conditions, procedures, or decisions which are unfair, biased, unclear, unnecessarily intrusive or which fail to provide appropriate confidentiality for COO and vendors.

Further, the Registrar, CEO shall not operate without:

- 1) Ensuring a standardized framework and process for procurement of goods and services that clearly outline the purpose, the required criteria for quality and price, and the criteria for selection of a vendor.
 - a) For purchases between \$25,000 and \$49,999, the Registrar, CEO will not operate without seeking at least three quotes in writing, where competitors are available, and
 - ~~b)~~ For purchases \$50,000 and over, the Registrar, CEO will not operate without using a Request for Proposal process. Request for Proposals will be provided in writing by the COO to prospective vendors and will include a description of the COO's requirements and evaluation tool criteria.
 - ~~b) —~~
 - c) ~~(Note: Once a Request for Proposal process has been undertaken, subsequent related follow-up contracts can be negotiated by the Registrar, CEO as needed and consistent with all Board policies. E.g. legal services, accounting services, consultants, etc.)~~
- 2) Ensuring proper protection against conflict of interest in the purchase process.
 - a) Ensuring that policies are in place that prohibit inappropriate considerations from vendors.
Note: Token expenses, etc. are appropriate as needed to conduct necessary business.
- 3) Ensuring all supply/service contracts are reviewed periodically.
- 4) Avoiding harm to the prospective vendors submitting quotes and/or proposals by ensuring that:
 - a) Confidential information regarding vendor quotes, competitive knowledge and proprietary products/services/approaches is not shared with any other vendors, and
 - b) Any Requests for Proposal only elicits information from the vendor required for the purpose of the specific proposal.
- 5) Employing prudent measures for the assessment of capital asset acquisition decisions (lease or purchase) ensuring an adequate balance between cost and benefit is achieved.

6) Providing payment to vendors in accordance with contractual obligations.

Definitions

~~For the purposes of this policy:~~

~~**Quotation** will refer to requesting a written quote for the purchase of goods or services.~~

~~**Requests for Proposal** will refer to a written document provided by the COO to prospective vendors invited to submit a proposal to supply a good or service to the COO. The written document will include a description of the COO's requirements and the criteria that will be used to evaluate proposals.~~

POLICY TYPE: OPERATIONAL BOUNDARIES**2-05 Vendor Relations & Procurement Management Policy**

PURPOSE

To outline the Board's expectations of the Registrar, CEO regarding fair and ethical relationships with vendors and the principles and risk boundaries related to the procurement process.

POLICY

With respect to interactions with vendors, those applying to be vendors and the procurement process, the Registrar, CEO shall not cause or allow conditions, procedures, or decisions which are unfair, biased, unclear, unnecessarily intrusive or which fail to provide appropriate confidentiality for COO and vendors.

Further, the Registrar, CEO shall not operate without:

- 1) Ensuring a standardized framework and process for procurement of goods and services that clearly outline the purpose, the required criteria for quality and price, and the criteria for selection of a vendor.
 - a) For purchases between \$25,000 and \$49,999, the Registrar, CEO will not operate without seeking at least three quotes in writing, where competitors are available, and
 - b) For purchases \$50,000 and over, the Registrar, CEO will not operate without using a Request for Proposal. Request for Proposals will be provided in writing by the COO to prospective vendors and will include a description of the COO's requirements and evaluation tool criteria.
 - c) Once a Request for Proposal process has been undertaken, subsequent related follow-up contracts can be negotiated by the Registrar, CEO as needed and consistent with all Board policies. E.g. legal services, accounting services, consultants, etc.
- 2) Ensuring proper protection against conflict of interest in the purchase process.
 - a) Ensuring that policies are in place that prohibit inappropriate considerations from vendors.

Note: Token expenses, etc. are appropriate as needed to conduct necessary business.
- 3) Ensuring all supply/service contracts are reviewed periodically.
- 4) Avoiding harm to the prospective vendors submitting quotes and/or proposals by ensuring that:
 - a) Confidential information regarding vendor quotes, competitive knowledge and proprietary products/services/approaches is not shared with any other vendors, and
 - b) Any Requests for Proposal only elicits information from the vendor required for the purpose of the specific proposal.
- 5) Employing prudent measures for the assessment of capital asset acquisition decisions (lease or purchase) ensuring an adequate balance between cost and benefit is achieved.
- 6) Providing payment to vendors in accordance with contractual obligations.