

Electrale Innovation Ltd – Procurement policy

As a relatively newly formed small to medium enterprise, Electrale Innovation Ltd has developed strategic alliances with well established businesses and organizations of varying types and scales in order to successfully transition to an established business through the Hydraulic Air Compressor (HAC) Demonstrator project to be installed at Dynamic Earth.

The purpose of the HAC Demonstrator Project is to test an industrial-scale HAC in a real-world environment so that the business case arising from scientifically measured and verified electricity savings can be visibly and transparently communicated to potential HAC clients. As well as principally informing Electrale Innovation Ltd's short to medium term business planning, the facility will also support scientific investigations relating to air cycle refrigeration for mines, air separation and air products, compression of other types of gases in addition to air and absorption of individual gas species from gaseous mixtures. This scientific work will support Electrale Innovation Ltd's longer term business planning, the company's growth and pursuit of more diverse commercial applications of HACs.

Electrale Innovation Ltd is a pre-revenue technology start up company. Since its incorporation, the company's only real activity has been getting the HAC Demonstrator up-and-running. In essence, the HAC Demonstrator installation at Dynamic Earth in Sudbury will be a commercially-facing scientific research, commercial development and innovation facility. The recirculating primary fluid flow and necessary mechanisms of temperature and co-solute manipulation mean that it will be a one-of-a-kind installation.

The highly specialist nature of the facility has meant that Electrale Innovation Ltd has worked closely with other Ultra Deep Mine Network (UDMN) partners to design, specify, price and construct the HAC Demonstrator. As a new, small, company with few resources, to support its principal company activity, Electrale Innovation Ltd, has harnessed the administrative and organizational policies and resources of its larger scale partners and other UDMN partners where and when possible, and this includes procurement services.

Where possible, Electrale Innovation Ltd, entirely adopts the procurement policy of Laurentian University, which is hereby adopted by reference in this Electrale Innovation Ltd. procurement policy document.

Where possible, the robust, open, fair and transparent Purchasing and Contract Management services of the University are used directly; Laurentian University will procure services and goods on behalf of Electrale Innovation Ltd, and Electrale Innovation will make payments to reimburse the cost of such procurements to Laurentian University directly, or through one or more of its intermediaries, including, Ultra Deep Mine Network partners.

As an Ultra Deep Mine Network partner, Electrale Innovation Ltd holds preferred service provider status for other Ultra Deep Mine Network partners. Similarly, Electrale Innovation Ltd recognises the preferred service provider status of other Ultra Deep Mine Network partners.

Where the specialist nature of the facilities, or arrangements or requirements of the contracts the company has entered into, do not allow it to utilize Laurentian University's Purchasing and Contract Management services, and the expenditures may be fully or partially budgeted for by public sector funding authorities through grant or award, the procedures the company adopts are as follows:

Total Purchase Before Taxes	Method of Procurement
\$0 to \$9,999	Single written quotation required.
\$10,000 to \$49,999 (where procurement is executed for Electrale Innovation Ltd by a UDMN preferred service provider, providing contract management services)	Single written quotation required.
\$10,000 to \$49,999	Invitational competitive procurement (minimum of three or more suppliers are invited to submit a quotation).
\$50,000 to \$200,000 (where procurement is executed for Electrale Innovation Ltd by a UDMN preferred service provider, providing contract management services)	Invitational competitive procurement (minimum of three or more suppliers are invited to submit a quotation).
\$50,000 and above	Open competitive process (e.g. MERX)

Policy on Purchasing

Category :	Finance
Administrative Authority:	Vice President, Administration
Approval Authority:	Board of Governors
Approval Date:	February 24, 2012
Effective Date :	February 24, 2012
Latest Revision Date :	September 9, 2005
Next Review:	February 2017

1. Overview

- 1.1 Laurentian University is committed to maintaining high standards for performance based on fair, ethical, legal, environmental, and professional business practices. The University, its employees and agents shall procure goods and services in an open, fair and transparent manner and in a competitive environment, so that all transactions yield the optimal benefit to the University in the circumstances.
- 1.2 The Ontario Broader Public Sector (BPS) Procurement Directive was issued by Management Board of Cabinet, effective July 1, 2011. The purpose of the Directive is “to ensure that publicly funded goods and services, including construction, consulting services, and information technology, are acquired by BPS organizations through a process that is open, fair and transparent, to outline responsibilities of BPS organizations throughout each stage of the procurement process, and to ensure that procurement processes are managed consistently throughout the BPS”.
- 1.3 The University is also bound by requirements of funding agencies, to the extent that those requirements comply with applicable procurement legislation and regulation.
- 1.4 The Policy on Purchasing (the “policy”) will apply to all University funds from all sources, including the operating, research, capital and ancillary funds and all other funds held in trust.

2. Purpose

2.1 This policy is intended to:

- 2.1.1 Ensure that publicly funded goods and services, including construction, consulting services, and information technology, are acquired by Laurentian University through a process that is open, fair, and transparent; and
- 2.1.2. Outline responsibilities of Laurentian University personnel throughout each stage of the procurement process; and
- 2.1.3 Ensure that procurement processes are managed consistently; and
- 2.1.4 Support collaborative purchasing (group buying) and the adoption and sharing of leading procurement practices; and
- 2.1.5 Promote and encourage suppliers to consider sustainability and social responsibility in their product or service offerings.

3. Scope

- 3.1 This policy applies to all employees and agents of Laurentian University and to all University funds from all sources, including the operating, research, Capital and ancillary funds and all other funds held in trust.
- 3.2 The University is bound by requirements of funding agencies, to the extent that those requirements comply with applicable procurement legislation and regulation.

4. Definitions in this Policy and related Program:

- 4.1 The following definitions, for the most part, are outlined in the Broader Public Sector Procurement Directive and apply to this Policy and related program.
 - “Agreement on Internal Trade (AIT)” means a national agreement that regulates trade between the provinces to ensure equal access to public-sector procurement for all Canadian suppliers. The agreement aims to reduce barriers to the movement of persons, goods, services and investments within Canada.
 - “Broader Public Sector (BPS)” means as defined in the Broader Public Sector Accountability Act, 2010.
 - “BPS Procurement Directive” means BPS Procurement Directive, which replaces the BPS Supply Chain Guideline issued by the Ministry of Finance in 2009.

- “Competitive Procurement” means a set of procedures for developing a procurement contract through a bidding or proposal process. The intent is to solicit fair, impartial, competitive bids.
- “Consultant” means a person or entity that under an agreement, other than an employment agreement, provides expert or strategic advice and related services for consideration and decision-making.
- “Consulting Services” means the provision of expertise or strategic advice that is presented for consideration and decision-making.
- “Goods” means moveable property (including the costs of installing, operating, maintaining or manufacturing such moveable property) including raw materials, products, equipment and other physical objects of every kind and description whether in solid, liquid, gaseous or electronic form, unless they are procured as part of a general construction contract.
- “Goods and Services” means all goods and/or services including construction, consulting services and information technology.
- “Invitational competitive procurement” means minimum of three or more suppliers are invited to submit a written quotation.
- “Open Competitive Process” means a set of procedures for developing a procurement contract through a bidding or proposal process and publicly posting the requirement through MERX the electronic tendering service used by the Federal and Provincial Governments as well as the MASH sector (Municipal, Academic, School Boards and Hospitals). The intent is to solicit fair, impartial, competitive bids.
- “Single Sourcing” means a non-competitive method of procurement of goods or services from a supplier in situations where there is or may be another supplier or suppliers capable of delivering these goods or services.
- “Sole Source” means the use of a non-competitive procurement process to acquire goods or services where there is only one available supplier for the source of the goods or service.

5. Policy Statement

5.1 Competitive Procurement Processes

It is the policy of Laurentian University that the acquisition of goods and services and construction and renovation work be in accordance with the (BPS) Procurement Directive and guided by the Supply Chain Code of Ethics Policy as adopted on April 15, 2011.

5.2 **Non-Competitive Procurement – Sole/Single Sourcing**

Laurentian University will employ an open competitive process when required and whenever possible to increase the likelihood of achieving the greatest value for money. However, in some specific situations as described in this Sole/Single Source Section of this Policy, competitive procurement processes may not be warranted.

In the event that Laurentian University employs a non-competitive procurement process for goods, construction, advertising or non-consulting services over \$10,000, formal documentation will be completed in the form required.

- 5.3 All procurement processes will be guided by the Supply Chain Code of Ethics Policy adopted on April 15, 2011.

6. **Responsibilities**

- 6.1 All employees and agents of Laurentian University who, during the course of their duties, are involved in the process of acquiring goods and services including construction, consulting services, and information technology are required to adhere to this Policy.

7. **Confidentiality**

- 7.1 The Broader Public Sector Procurement Directive requires:

7.1.1 That all participants in a procurement evaluation be aware of and abide by the restrictions related to confidential information shared through the competitive bidding process; and

7.1.2 That evaluators refrain from engaging in any activity that may create or appear to create a conflict of interest; and

7.1.3 That evaluations be conducted in a fair and consistent manner in accordance with evaluation criteria and methodology set out in the procurement documents.

8. **Notice of Collection of Personal Information under this Policy**

- 8.1 The *Freedom of Information and Protection of Privacy Act, 1990* (FIPPA) make public bodies accountable to the public and protect personal privacy. The privacy legislation stipulates a right of access to records held by public bodies and regulates how public bodies manage personal information.

- 8.2 Individuals engaged in Supply Chain Activities on behalf of organizations should be aware of the implications of the Freedom of Information (FOI) requirements of FIPPA and the resulting importance of professional conduct. Freedom of Information requests can be made for information on tendering and administration of contracts.

9. Related Legislation, Policies, Procedures and other Documents

- 9.1 *Accessibility for Ontarians with Disabilities Act, 2005*
- 9.2 *Broader Public Sector Accountability Act, 2010*
- 9.3 *Freedom of Information and Protection of Privacy Act, 1990*
- 9.4 *Ontarians with Disability Act, 2001*
- 9.5 Agreement on Internal Trade (AIT)
- 9.6 Broader Public Sector (BPS) Procurement Directive, (2011)
- 9.7 Broader Public Sector (BPS) Expenses Directive, (2011)
- 9.8 Ontario-Quebec Trade and Cooperation Agreement
- 9.9 Policy on Purchasing
- 9.10 Policy on Signing Authorizations
- 9.11 Supply Chain Code of Ethics Policy

10. History of Revisions

- 10.1 This version of the Policy was adopted on February 24, 2012 by way of approval by the Laurentian University Board of Governors, following revisions to the previous Purchasing Policy for Goods and Services approved by the Finance Committee of the Board of Governors on September 9, 2005.

11. Policy Review

- 11.1 This policy will be reviewed in February 2017 in accordance with the Broader Public Sector (BPS) Procurement Directive, (2011).
- 11.2 The policy comes into effect the date of its approval by the Board of Governors of Laurentian University and will remain in effect until a newly revised policy has been approved by the Board of Governors.

Procurement of Goods, Non-Consulting Services and Construction

TOTAL PURCHASE BEFORE TAXES	REQUISITION <i>signing authority</i>	BUDGETING <i>Authorization that funding is available</i>	COMMITMENT <i>Authorization to release the order and confirmation that process has been followed</i>	RECEIPT <i>Order is physically received + authorizes payment by Finance</i>	PAYMENT <i>Authorizes release of payment</i>	PROCESS <i>Including approval for any exemptions where applicable</i>	MEANS OF PROCUREMENT /PURCHASING
\$0 - \$2,999.99	Budget Holder (no requisition signing authority required)	Budget Holder	Budget Holder	Budget Holder	Budget Holder		Procurement card (P-Card) OR Petty cash up to \$100
\$3,000 - \$9,999.99	Budget Holder	Budget Holder and Financial Services	Director of Purchasing and Contract Management OR Buyer of Purchasing and Contract Management	Budget Holder	Financial Services	Quote can be obtained by department OR Purchasing Services	Single written quotation required

Procurement of Goods, Non-Consulting Services and Construction

TOTAL PURCHASE BEFORE TAXES	REQUISITION <i>signing authority</i>	BUDGETING <i>Authorization that funding is available</i>	COMMITMENT <i>Authorization to release the order and confirmation that process has been followed</i>	RECEIPT <i>Order is physically received + authorizes payment by Finance</i>	PAYMENT <i>Authorizes release of payment</i>	PROCESS <i>Including approval for any exemptions where applicable</i>	MEANS OF PROCUREMENT /PURCHASING
\$10,000 - \$49,999.99	Budget Holder	Budget Holder and Financial Services	Director of Purchasing and Contract Management	Budget Holder	Financial Services	Quote can be obtained by department OR Purchasing Services	Invitational competitive procurement (minimum of three or more suppliers are invited to submit a written quotation)
\$50,000 - \$99,999.99	Budget Holder	Budget Holder and Financial Services	Director of Purchasing and Contract Management and one other approval and signature from the Responsibilities and Approval Thresholds	Budget Holder	Financial Services	Purchasing Services manages the acquisition process through an RFQ or RFP. Tenders for construction projects are managed by Physical Plant and Planning.	Invitational competitive procurement (minimum of three or more suppliers are invited to submit a written quotation)

Procurement of Goods, Non-Consulting Services and Construction

TOTAL PURCHASE BEFORE TAXES	REQUISITION <i>signing authority</i>	BUDGETING <i>Authorization that funding is available</i>	COMMITMENT <i>Authorization to release the order and confirmation that process has been followed</i>	RECEIPT <i>Order is physically received + authorizes payment by Finance</i>	PAYMENT <i>Authorizes release of payment</i>	PROCESS <i>Including approval for any exemptions where applicable</i>	MEANS OF PROCUREMENT /PURCHASING
\$100,000 - \$999,999.99	Budget Holder	Budget Holder and Financial Services	Director of Purchasing and Contract Management and one other approval and signature from the Responsibilities and Approval Thresholds	Budget Holder	Financial Services	Purchasing Services manages the acquisition process through an RFP. Tenders for construction projects are managed by Physical Plant and Planning.	Open competitive process

Procurement of Goods, Non-Consulting Services and Construction

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\$1,000,000 - above	Budget Holder	Budget Holder and Financial Services	Director of Purchasing and Contract Management and one other approval and signature from the Responsibilities and Approval Thresholds	Budget Holder	Financial Services	Purchasing Services manages the acquisition process through an RFP. Tenders for construction projects are managed by Physical Plant and Planning.	Open competitive process

Procurement of Consulting Services

TOTAL PURCHASE BEFORE TAXES	REQUISITION <i>signing authority</i>	BUDGETING <i>Authorization that funding is available</i>	COMMITMENT <i>Authorization to release the order and confirmation that process has been followed</i>	RECEIPT <i>Order is physically received + authorizes payment by Finance</i>	PAYMENT <i>Authorizes release of payment</i>	PROCESS <i>Including approval for any exemptions where applicable</i>	MEANS OF PROCUREMENT /PURCHASING
\$0 - \$49,999.99	Budget Holder	Budget Holder and Financial Services	Director of Purchasing and Contract Management *	Budget Holder	Financial Services	Quotes can be obtained by department OR Purchasing Services	Invitational competitive procurement (minimum of three or more suppliers are invited to submit a written quotation)

***Non-competitive process must be approved by the President**

Procurement of Consulting Services

TOTAL PURCHASE BEFORE TAXES	REQUISITION <i>signing authority</i>	BUDGETING <i>Authorization that funding is available</i>	COMMITMENT <i>Authorization to release the order and confirmation that process has been followed</i>	RECEIPT <i>Order is physically received + authorizes payment by Finance</i>	PAYMENT <i>Authorizes release of payment</i>	PROCESS <i>Including approval for any exemptions where applicable</i>	MEANS OF PROCUREMENT /PURCHASING
\$50,000 - \$99,999.99	Budget Holder	Budget Holder and Financial Services	Director of Purchasing and Contract Management and one other approval and signature from the Responsibilities and Approval Thresholds *	Budget Holder	Financial Services	Purchasing Services manages the acquisition process	Invitational competitive procurement (minimum of three or more suppliers are invited to submit a written quotation)

***Non-competitive process must be approved by the President**

Procurement of Consulting Services

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\$100,000 - \$999,999.99	Budget Holder	Budget Holder and Financial Services	Director of Purchasing and Contract Management and one other approval and signature from the Responsibilities and Approval Thresholds *	Budget Holder	Financial Services	Purchasing Services manages the acquisition process through an RFP. All postings will be on MERX	Open competitive process

***Non-competitive process must be approved by the President**

Procurement of Consulting Services

TOTAL PURCHASE BEFORE TAXES	REQUISITION <i>signing authority</i>	BUDGETING <i>Authorization that funding is available</i>	COMMITMENT <i>Authorization to release the order and confirmation that process has been followed</i>	RECEIPT <i>Order is physically received + authorizes payment by Finance</i>	PAYMENT <i>Authorizes release of payment</i>	PROCESS <i>Including approval for any exemptions where applicable</i>	MEANS OF PROCUREMENT /PURCHASING
\$1,000,000 - above	Budget Holder	Budget Holder and Financial Services	Director of Purchasing and Contract Management and one other approval and signature from the Responsibilities and Approval Thresholds **	Budget Holder	Financial Services	Purchasing Services manages the acquisition process through an RFP. All postings will be on MERX	Open competitive process

****Non-competitive process must be approved by the Board of Governors**

Responsibilities and Approval Thresholds for Any Goods or Services

TYPE OF AGREEMENT <i>Required approval and signatures:</i> <i>Position Title</i>	APPROVAL CONTRACT <i>>\$1,000,000</i>	CONTRACT COMMITMENT <i>>\$250,000</i> <i>One of group A plus any other</i>	CONTRACT COMMITMENT <i>>\$50,000</i> <i>any 2 of</i>	CONTRACT COMMITMENT <i>>\$10,000</i> <i>any 1 of</i>	CONTRACT COMMITMENT <i><\$10,000</i> <i>any 1 of</i>	PURCHASING CARD COMMITMENT <i><\$3,000</i>
Group A Board of Governors Chairperson of the Board of Governors President & Vice-Chancellor Vice-President, Administration Vice-President, Academic & Provost Vice-President, Francophone Affairs & Graduate Studies Executive Director, Financial Services	x	x x x x x x x	x x x x x x	x x x x x x	x x x x x x	
Group B Chief of Staff Director, Accounting & Budgets Manager, Research & Payables Assistant to the Director, Accounting & Budgets Director, Purchasing & Contract Management Buyer, Purchasing & Contract Management Budget Holder		x x x x	x x x x	x x x x	x x x x x	x