



Policy for Managing the Risks of Corruption and Collusion in Contract Management Processes

This Policy was adopted for the first time by Board of Governors resolution number CRC-2019-018 on November 27, 2019 and subsequently amended by resolutions:

Table of Contents

Context 4

1. Policy objectives 4

2. Scope 4

3. Legal framework 4

4. Definitions 5

5. Annual Risk Management Plan 6

6. Monitoring and Review of the Organizational Risk Management Framework 6

7. Roles and Responsibilities 7

8. Administrative or Disciplinary Measures 10

9. Revision of this Policy 10

10. Accountability Requirements 10

Context

Champlain Regional College is subject to the Act Respecting Contracting by Public Bodies (R.S.Q. ch. C-65.1, hereinafter the “Act”).

Under Article 26 of this Act, the *Secrétariat du Conseil du trésor* issued the *Directive on managing the risks of corruption and collusion in contract management processes* in June 2016.

The purpose of this *Directive* is to clarify Champlain Regional College’s obligations in managing the risks of corruption and collusion in contract management processes.

This risk management requires identifying, assessing, and evaluating risks, as well as implementing internal controls and mitigation measures.

In this context and in accordance with the *Directive*, Champlain Regional College establishes through this Policy, the elements that will allow the creation of a plan to manage the risks of corruption and collusion in the contract management processes.

1. Policy objectives

The objectives of this policy are as follows:

- To implement a structured and standardized process to identify, analyze, assess, and monitor the risks of corruption and collusion arising from the activities of contract management processes.
- To identify the components of a plan to manage the risks of corruption and collusion.
- To define the roles and responsibilities of the different parties in managing risks of corruption and collusion in contract management processes.
- To define the applicable accountability mechanisms.

2. Scope

This policy applies to anyone involved in Champlain Regional College’s contract management processes, under Article 4 of the Act regarding management of risks of corruption and collusion in contract management processes.

3. Legal framework

- A government legal framework that includes the Directive on managing risks of corruption and collusion in contract management processes, and the policy governing the contract rules compliance monitor (CRCM).
- Act Respecting Contracting by Public Bodies
- ISO 31000: 2009 Risk Management – Principles and guidelines.

- ISO 37001: 2016 Anti-corruption management systems – Requirements and recommendations for application.
- COSO 2 –Enterprise Risk Management Framework.
- International Standards for Professional Practice of Internal Auditing (IIA).
- Policy on Conflict of Interest and Nepotism

4. Definitions

Risk: The effect of uncertainty on achieving objectives

CRCM: Contract Rules Compliance Monitor

UPAC: Unité permanente anticorruption

Risk Families:

- a) Governance risks
- b) Inadequate audit risks
- c) Risks associated with selection committees
- d) Risks involving calls for tender
- e) Risks involving ethics
- f) Risks involving human resources
- g) Risks involving individuals
- h) Risks involving information security
- i) Risks involving violations of laws and regulations
- j) Risks of collusion

Collusion: A secret agreement between potential bidders who organize themselves to hinder competition, by setting prices or production, by sharing sales or territories, and/or by falsifying bids.

Corruption: An exchange, or an attempted exchange where, directly or indirectly, an undue advantage is offered, promised, or granted by a corrupter, and/or requested, accepted, or received by someone in public office, in return for an act by the holder of public office for the corruptor's benefit.

Conflict of Interest: A situation in which professional, financial, family, political, or personal interests may interfere with judgment of individuals in the course of their duties within the organization. A conflict of interest may be perceived, potential or real.

Influence Pedding: It is a violation which consists of a public authority receiving donations (money, goods) from an individual or a corporation, in exchange for granting or promising various benefits (decoration, market, job, favorable arbitration).

Risk Management Plan: A plan with a coordinated set of activities to lead an organization in managing risk.

Internal Controls: A process put in place by directors at all levels of the organization aiming to provide reasonable assurance that the following objectives will be met: The efficiency of operations; reliability of financial operations; compliance with laws and regulations.

Chief Executive Officer of the Organization: The Chief Executive Officer is the Board of Governors of Champlain Regional College. However, under Article 8 of the Act Respecting Contracting by Public Bodies, the Board of Governors may delegate all or part of their duties to the Executive Committee or the Director General.

Stakeholder: An individual or organization that can either impact a decision or activity or be influenced or believe themselves influenced by a decision or activity.

Selection Committee Secretary: An individual in the organization that is trained and certified by the Secrétariat du Conseil du trésor. In the context of this policy, only of the certified individuals can be identified as the Selection Committee Secretary.

5. Annual risk management plan

Every financial year, Champlain Regional College must adopt a plan to manage the risks of corruption and collusion in public contracts. This plan includes:

- a) The analysis of the organizational context in which Champlain Regional College concludes its contracts: common bases for the fight against corruption and collusion, stakeholder, risk tolerance.
- b) Risk assessment: Assessing the risks of corruption and collusion, as well as the controls put in place. This includes identifying, assessing, and evaluating risks.
- c) The provisions for responding to risks, including mechanisms for mitigating these risks (planned actions, risk ownership, indicators, target, deadline, and the final outcome).
- d) Monitoring: Monitor and review by assessing the mitigation measures put in place by Champlain Regional College and reviewing risks and controls.
- e) Any other factor determined by the *Conseil du trésor*.

6. Monitoring and review of the organizational risk management framework

Upon the request of the *Conseil du trésor*, the Director General must send the annual risk management plan, as well as any other related document within 15 days following the request

The annual risk management plan is subjected to a monitoring report and review of the organizational framework for managing risks of corruption and collusion in contract management processes. This report, which must be approved by the Chief Executive Officer of the organization no later than four (4) months after the end of the financial year in question, includes:

- Measuring the organization's results with respect to risk management.
- Measuring progress and deviations from the previous risk management plan.
- Verification of the effectiveness of the organizational risk management framework.
- The review of the organizational risk management framework.

Any other requirement determined by the *Conseil du trésor*.

7. Roles and responsibilities

The Board of Governors:

- a) The Board of Governors adopts the policy and may delegate responsibility for its application to the Director General.

The Director General:

As the person in charge of applying the policy, the Director General assumes the following roles and responsibilities:

- a) Ensures that Champlain Regional College meets the requirements of the Directive through this policy;
- b) Ensures that the responsibilities are appropriately assigned to the various parties, including those relating to the CRCM;
- c) Ensures that information regarding shared responsibilities is communicated to those involved in contract management;
- d) Approves risks assessed as a result of the CRCM recommendations;
- e) Adopts the annual risk management plan for corruption and collusion in contract management processes;
- f) Approves the monitoring report as described in Article 6 of this Policy;
- g) Reports annually to the Board of Governors on the application of the organizational risk management framework;
- h) Sends, within fifteen (15) days of the Conseil du trésor's request, the annual risk management plan, the monitoring report, and any other related document.
- i) Ensures that corrective actions and internal controls are put in place following recommendations of the Risk Management Committee, the CRCM, the Secrétariat du Conseil du trésor, or the Unité *permanente anticorruption* (UPAC) regarding the control of the risks of corruption and collusion at Champlain Regional College;
- j) Reviews and recommends an update to this Policy;

Governing Board:

- a) The Governing Board of each Constituent College may issue recommendations regarding the risk monitoring report.

The Director of the Constituent College:

As the person responsible for enforcing this policy in the College, the Director assumes the following roles and responsibilities:

- a) Ensures that the Constituent College complies with the requirements of the *Directive* through this policy;
- b) Ensures that information regarding shared responsibilities is communicated to those involved in contract management;

- c) Approves the risks assessed as a result of the recommendations made by the Risk Management Committee of its constituent College;
- d) Provides the Risk Management Committee with the annual risk management plan, the monitoring report, and any other relevant document;
- e) Report annually to the Governing Board on the application of the organizational risk management framework;
- f) Ensures that corrective actions and internal controls are put in place following recommendations of the Risk Management Committee, the CRCM, the *Secrétariat du Conseil du trésor*, or the *Unité permanente anticorruption* (UPAC) regarding the control of the risks of corruption and collusion at Champlain Regional College;
- g) Reviews and recommends an update to this Policy;

The Risk Management Committee:

The Risk Management Committee, whose members are appointed by the CRCM, plays an advisory role to the Director General by assuming the following responsibilities:

- a) Assesses internal controls and reports to the Director General on the risks of corruption and collusion;
- b) Assesses the effectiveness of mitigation measures and reports them to the Director General;
- c) Prepares the annual report for monitoring and reviewing the organizational risk management framework;
- d) Makes recommendations and informs the Director General about managing the risks of corruption and collusion at Champlain Regional College;
- e) Facilitates the implementation of the plan for managing risks of corruption and collusion with the various parties at Champlain Regional College.

Contract Rules Compliance Monitor (CRCM):

In accordance with the Act Respecting Contracting by Public Bodies, the person responsible for enforcing the rules of the contract assumes the following responsibilities for the purposes of applying this policy:

- a) Oversees the implementation of the Policy at Champlain Regional College;
- b) Advises the Director General and suggests recommendations;
- c) Oversees improvement of processes for managing the risks of corruption and collusion in contract management processes;
- d) Oversees the implementation of measures in Champlain Regional College to ensure the integrity of internal processes;
- e) Ensures the quality of the personnel performing contractual activities;
- f) Performs any other function that the Director General might require to enforce contractual rules.

The Selection Committee Secretary:

Under this policy, the Selection Committee Secretary takes a primary role in providing advice and support, and assumes the following responsibilities:

- a) Facilitates implementation of the annual plan for managing the risks of corruption and collusion, including trainings, information, and the distribution of tools;

- b) Support the CRCM by ensuring monitoring of the action plan regarding new mitigation measures;
- c) Ensures rules are followed regarding conflict of interest and confidentiality in contract management processes;
- d) Propose updates to the policy.

Risk Management Coordinator for the Constituent College:

Under this policy, the Risk Management Coordinator for the Constituent College is primarily responsible for providing advice and support, and assumes the following responsibilities:

- a) Helps the Risk Management Committee facilitate the implementation of the annual plan to manage the risks of corruption and collusion, including training, information, and the distribution of tools;
- b) Supports the selection committee's secretary by monitoring the action plan regarding new mitigation measures;
- c) Participates in the creation of the monitoring report and review of the organizational risk management framework;
- d) Submits the monitoring report to the Director of the constituent College;
- e) Ensures rules are respected regarding conflict of interest and confidentiality in contract management processes;
- f) Proposes updates to the policy;
- g) Informs the secretary of the selection committee of any irregularities detected.

Managers and employees involved in contract management process:

Managers involved in a contract management process assume the following responsibilities:

- a) Integrating the risk of corruption and collusion into their duties;
- b) Ensure accountability and monitoring of mitigation measures for risks under their responsibility;
- c) Inform the Risk Management Committee and/or the secretary of the selection committee of any vulnerable situations that may affect the achievement of Champlain Regional College's objectives;
- d) Commit to respecting the rules regarding conflicts of interest and confidentiality in the contract management processes.

Employees involved in the contract management process assume the following responsibilities:

- a) Incorporate decision-making related to the management of corruption and collusion risks into their activities;
- b) If necessary, maintain knowledge of the risk of corruption and collusion;
- c) May be called upon to participate in workshops on risk assessment;
- d) Commit to respecting the rules regarding conflicts of interest and confidentiality in contract management processes.

8. Administrative or disciplinary measures

Champlain Regional College reserves the right to apply administrative or disciplinary measures in the event of a violation of this policy by any member of its personnel.

If necessary, Champlain Regional College reserves the right to notify the competent authorities of any violation of the policy.

9. Revision of this policy

Revision of the policy will be undertaken at least every three years, or when deemed necessary.

10. Accountability requirements

All accountability documents generated by the College includes an annual risk assessment review as well as monitoring of major risks efficiency initiatives. At the request of the *Secrétariat du Conseil du trésor*, the Director General must submit the College's accountability documents.