

Administrative Procedure

Conflict of Interest related to Members of Civic Agencies

This procedure falls under Procurement Directive, A1465B

Date of Approval: January 16, 2019

Next Scheduled Review: January 16, 2022

Purpose

The purpose of this procedure is to outline the mechanisms to reduce the risk and potential conflict that may arise if a member of a Civic Agency or an administrative advisory committee participates in a City procurement as a proponent or as a member of the proponent's proposed team.

The City is committed to increase the transparency in the procurement process and positively impact the accountability of employees with regard to procurement by ensuring that City resources are not exploited for personal gain and that awarding of contracts is carried out without any unfair competitive advantage or favouritism.

Definitions

All definitions contained in the Procurement Administrative Directive apply to this procedure. In addition:

- “Administrative Advisory Committee” means the boards, committees and task forces to which City Administration appoints citizens-at-large or representatives of external organizations affiliated with the City.
- “Civic Agency” or “Civic Agencies” means the agencies, boards, committees, commissions, and task forces to which City Council makes an appointment of citizens-at-large, council members, or representatives of external organizations. A list of civic agencies can be found at the following link: https://www.edmonton.ca/city_government/city_organization/list-of-agencies-boards-commissions.aspx

Processes

Principles

A member of a Civic Agency or an administrative advisory committee must not have financial or controlling interest, either directly or indirectly, in a proponent or a member of the proponent's proposed team that is participating in a City procurement process, unless the interest is disclosed and addressed in accordance with this procedure.

A member of a Civic Agency or an administrative advisory committee is prohibited from participating in a procurement process as a proponent or a member of the proponent's proposed team, for a period equivalent to twelve months following the conclusion of their membership, unless the interest is disclosed and addressed in accordance with this procedure.

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If a member of a Civic Agency or an administrative advisory committee participates in a procurement process as a proponent or a member of the proponent's proposed team and it results in a conflict of interest or unfair competitive advantage that cannot be mitigated, the proponent may be disqualified from the City's procurement process.

1. *Disclosure of Involvement of a Member of a Civic Agency*

- 1.1. If an employee becomes aware of a member of a Civic Agency or an administrative advisory committee's involvement in a City procurement, that employee must notify their supervisor.
- 1.2. Supervisors who are aware of a member of a Civic Agency or an administrative advisory committee participating in a procurement process as a proponent or a member of the proponent's proposed team must:
 - a) determine if the member of the board, agency or committee is in possession of or has access to relevant, material and confidential information that would provide an unfair competitive advantage to the proponent; and
 - b) determine if the procurement is related to the work the member of a City-affiliated agency, board or committee performed or is currently performing for the proponent.If the member has access to information or related work, the Supervisor must notify the Branch Manager, Corporate Procurement and Supply Services immediately.
- 1.3. If the Branch Manager, Corporate Procurement and Supply Services, becomes aware of a member of a Civic Agency or an administrative advisory committee who participates in a procurement process as a proponent or a member of the proponent's proposed team and it may result in a conflict of interest or unfair competitive advantage that cannot be mitigated, the Branch Manager will review the situation and may refer the matter to the Procurement Conflict of Interest Advisory Group for review.

2. *Evaluating Potential Conflicts of Interest*

- 2.1. Upon receipt of a matter referred to it by the Branch Manager, Corporate Procurement and Supply Services, the Procurement Conflict of Interest Advisory Group will review and provide recommendations as to whether a conflict of interest or unfair competitive advantage exists.
- 2.2. When providing recommendations, the Procurement and Conflict of Interest Advisory Group will consider the principles as may be provided in applicable City policies, directives, procedures and guidelines, as well as the following:
 - the member's interest, roles or relationship with the proponent;
 - the member's direct involvement with the relevant or similar goods, services, construction or intellectual property rights being procured by the City, or the planning, preparation or execution of the procurement process and documents;
 - the member is in possession of or has access to relevant, material and confidential information in relation to the procurement in question; and
 - the member's relationship with departments, branches, and their employees or agents that are associated with the contract being procured by the City.

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- 2.3. If the Procurement Conflict of Interest Advisory Group determines that a conflict of interest or unfair competitive advantage exists with regard to the involvement of the member of a Civic Agency or an administrative advisory committee in the evaluation of the proponent's proposal, the Procurement Conflict of Interest Advisory Group will provide recommendations as to whether the conflict of interest or unfair competitive advantage can be mitigated or managed with respect to the procurement.
- 2.4. The Procurement Conflict of Interest Advisory Group will provide written reasons in support of all recommendations made, which record will be retained by the Branch Manager, Corporate Procurement and Supply Services in accordance with the applicable City records retention schedule.

3. *Addressing Conflicts of Interest*

- 3.1. The Branch Manager, Corporate Procurement and Supply Services will:
 - a) decide that no conflict of interest or an unfair competitive advantage exists;
 - b) if a conflict of interest or unfair competitive advantage exists, implement mitigation strategies to address the conflict or unfair competitive advantage;
 - c) if a conflict of interest or unfair competitive advantage exists, disqualify the applicable proponent from the City procurement, or take steps to terminate the applicable contract; or
 - d) if a conflict of interest or unfair competitive advantage exists, take any other measures as may be appropriate.