

Administrative Procedure

Conflict of Interest after City Employment

This procedure falls under **Procurement of Goods, Services and Construction Directive, A1465**

Date of Approval: November 9, 2017

Next Scheduled Review: [Date of approval + 3 years]

Purpose

The purpose of this procedure is to outline the mechanisms to reduce the risk and potential conflict that may arise if a former City employee participates in a City procurement.

The City is committed to increase the transparency in the procurement process and positively impact the accountability of City 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 advantage or favouritism to former City employees.

Definitions

All definitions contained in the [Procurement Administrative Directive](#) apply to this procedure.

- The “Procurement Conflict of Interest Advisory Group” is responsible for reviewing and advising on conflict of interest matters that may arise in the City’s procurement process. Membership in the Group will consist of senior City staff appointed by their respective Deputy City Managers.

Processes

Principles

A former City employee must not have any financial or controlling interest, either directly or indirectly, in any City procurement unless the interest is disclosed and addressed in accordance with this procedure.

All former City employees who took part in either an involuntary or voluntary separation program are prohibited, unless approval is obtained, from participating for a period equivalent to the severance/retirement notice. This may include, but is not limited to, the following roles:

- As a supplier;
- As a resource on City project work for a supplier; or
- As a resource on City project work for a supplier that has been sub-contracted by another supplier.

If the involvement of a former City employee in a City procurement results in a conflict of interest that cannot be mitigated, the proponent may be disqualified from the City procurement process.

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1. *Disclosure of Involvement of Former City Employee*

- 1.1. If an employee becomes aware of a former City employee's involvement in a City procurement, that employee must notify their supervisor.
- 1.2. Supervisors that become aware of a former City employee's involvement in a City procurement must:
 - a) determine if the procurement is related to the work the former City employee performed for the City; and
 - b) if the work is related, notify the Branch Manager, Corporate Procurement and Supply Services of the former City employee's involvement.
- 1.3. If the Branch Manager, Corporate Procurement and Supply Services, becomes aware of the involvement of a former City employee in a City procurement, either during the procurement phase or after a contract is awarded, the Branch Manager must 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 exists.
- 2.2. When providing recommendations, the Procurement and Conflict of Interest Advisory Group will consider the principles contained in this procedure, as well as:
 - the former City employee's previous roles and position with the City;
 - the former City employee's direct involvement with the relevant or similar goods, services, construction, or intellectual property rights being procured by the City, or the planning or execution of the procurement process, while an employee of the City; and
 - the former City employee's relationship with departments, branches, and their employees or agents that are associated with the contract being procured by the City.
- 2.3. If the Procurement Conflict of Interest Advisory Group determines that a conflict of interest exists with regard to the involvement of the former City employee, the Procurement Conflict of Interest Advisory Group will provide recommendations as to whether the conflict of interest can be mitigated or managed with the proponent.
- 2.4. The Procurement Conflict of Interest Advisory Group must provide reasons in support of all recommendations made, which must 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*

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- 3.1. On receipt of recommendations from the Procurement Conflict of Interest Advisory Group, the Branch Manager, Corporate Procurement and Supply Services must:
- a) decide that no conflict of interest exists;
 - b) if a conflict of interest exists, implement mitigation strategies to address the conflict;
 - c) if a conflict of interest exists, disqualify the applicable proponent from the City procurement, or take steps to terminate the applicable contract; or
 - d) if a conflict of interest exists, take any other measures as may be appropriate.