

# Administrative Procedure

## Conflict of Interest after City Employment

This procedure falls under Procurement Administration 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 former employee participates in a City procurement.

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.

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### **Definitions**

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

### **Processes**

#### *Principles*

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

All former employees who took part in either an involuntary or voluntary separation program are prohibited, unless approval is obtained, from participating in a competitive procurement for a period of not less than twelve months from the date of separation. Participating in a procurement 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 subcontracted by another supplier.

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

## Conflict of Interest after City Employment

### 1. *Disclosure of Involvement of A Former Employee*

- 1.1. If an employee becomes aware of a former employee's involvement in a City procurement, that employee must notify their supervisor.
- 1.2. Supervisors who become aware of a former employee's involvement in a City procurement must:
  - a) determine if the procurement is related to the work the former employee performed for the City; and
  - b) if the work is related, notify the Branch Manager, Corporate Procurement and Supply Services of the former employee's involvement.
- 1.3. If the Branch Manager, Corporate Procurement and Supply Services, becomes aware of the involvement of a former employee in a City procurement, either during the procurement phase or after a contract is awarded, 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 an 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 former employee's previous roles and position with the City;
  - the former 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 and documents, while an employee of the City; and
  - the former 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 or unfair competitive advantage exists with regard to the involvement of the former employee, 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 the proponent.
- 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.

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### 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 exists, implement mitigation strategies to address the conflict or an unfair competitive advantage;
- c) if a conflict of interest or an 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 an unfair competitive advantage exists, take any other measures as may be appropriate.