

Procedure



Conflict of Interest Related to Members of Civic Agencies

This Procedure falls under the Procurement Administrative Policy.

Approved By: Deputy City Manager Financial and Corporate Services	Date of Approval:	04/16/2020
Program: Financial Management <i>The City of Edmonton’s resilient financial position enables both current and long-term service delivery and growth.</i>	Next Scheduled Review:	04/16/2023

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 bidder or as a member of the bidder’s proposed team.

The City is committed to increase the transparency in the procurement process and positively impact the accountability of members of Civic Agencies and Administrative Advisory Committees with regard to procurement by ensuring that City resources and information 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; and
- **“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:

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https://www.edmonton.ca/city_government/city_organization/list-of-agencies-boards-commissions.aspx.

Principles

A member of a Civic Agency or an Administrative Advisory Committee must not have a financial or controlling interest, either directly or indirectly, in a bidder or a member of the bidder'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 bidder or a member of the bidder'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.

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

Processes

1. Disclosure of Involvement

- 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 bidder or a member of the bidder's proposed team must:
 - a) determine if the member of the board, agency or committee is in possession of, or has access to, relevant materials and/or confidential information that would provide an unfair competitive advantage to the bidder; and
 - b) determine if the procurement is related to the work the member of the Civic Agency or Administrative Advisory Committee performed or is currently performing for the bidder.

If the member has access to such relevant materials and/or confidential information or is performing related work for the Civic Agency or Administrative Advisory Committee, the Supervisor must notify the Branch Manager, Corporate Procurement and Supply Services

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- 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 bidder or a member of the bidder'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. The Branch Manager, Corporate Procurement and Supply Services will review and evaluate the description of the perceived conflict of interest and determine if the matter is referred to the Procurement Conflict of Interest Advisory Group.
 - 2.2. Upon receipt of a matter referred, the Procurement Conflict of Interest Advisory Group will review and provide recommendations as to whether a conflict of interest or unfair competitive advantage exists.
 - 2.3. When providing recommendations, the Procurement Conflict of Interest Advisory Group will consider any principles provided in applicable City policies, directives, procedures and guidelines, as well as the following:
 - the member's interest, roles or relationship with the bidder;
 - the member's direct involvement with the relevant or similar goods, services, construction or intellectual property rights being procured by the City, and the planning, preparation or execution of the procurement process and documents;
 - if the member is in possession of, or has access to, relevant materials and/or 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.
 - 2.4. If the Procurement Conflict of Interest Advisory Group determines that a conflict of interest or unfair competitive advantage exists with regard to the member of a Civic Agency or an Administrative Advisory Committee in the evaluation of the bidder's submission, the Procurement Conflict of Interest Advisory Group will provide recommendations to the Branch Manager, Corporate Procurement and Supply Services, as to whether the conflict of interest or unfair competitive advantage can be mitigated or managed with respect to the procurement.
 - 2.5. The Procurement Conflict of Interest Advisory Group will, along with its recommendations, provide written reasons in support of all recommendations made, the record of which 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 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 bidder 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.

Additional Resources

The Branch Manager, Corporate Procurement and Supply Services may, after review by the City Solicitor, approve standards to support or provide further detail to the above processes; however, any amendments to the processes contained in this procedure must be approved by the City Manager.