PROCUREMENT AND SOLE-SOURCING POLICY

November 19, 2014

Summary

1. This policy requires Departments to foster consistent, Government-wide practices in the procurement of goods and services, including in respect of Construction, and limits the authority of Departments to Sole-source in respect of services and Construction. Nothing in this policy is intended to limit the Crown’s obligations under applicable trade agreements.

Interpretation

2. The following terms have the following meanings:

<table>
<thead>
<tr>
<th>Term</th>
<th>Meaning</th>
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<tbody>
<tr>
<td>Construction</td>
<td>a construction, reconstruction, demolition, repair or renovation of a building, structure or other civil engineering or architectural work and includes site preparation, excavation, drilling, seismic investigation, the supply of products and materials, the supply of equipment and machinery if they are included in and incidental to the construction, and the installation and repair of fixtures of a building, structure or other civil engineering or architectural work, but does not include professional consulting services related to the construction contract unless they are included in the procurement</td>
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<tr>
<td>Contract Review Committee</td>
<td>a committee referenced in section 5</td>
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<tr>
<td>Department</td>
<td>a department of the Government established under the Government Organization Act, and the office of Corporate Human Resources established by the Public Service Act</td>
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<td>Deputy Minister</td>
<td>the chief officer of a Department or part of a Department, as the case may be</td>
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<tr>
<td>Sole-source, Sole-sourcing, and other variations</td>
<td>offering to only one vendor an opportunity to provide services or to provide goods or services in respect of construction, as the case may be</td>
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<tr>
<td>Trade Exception</td>
<td>an exception drawn from the New West Partnership Trade Agreement in respect of services or Construction, as set out in the Schedule</td>
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Scope

3. This policy applies in respect of Departments.

General Procurement Practices

4. Departments shall participate, under the leadership of Service Alberta, in the establishment of a procurement accountability framework that will

(a) support consistent goods and services procurement practices, including those in respect of Construction, across all Departments, that reflect best practices and foster accountability, fairness, effectiveness, and efficiency, and

(b) include processes to ensure compliance with sections 6 to 10.

5. Each Department must establish a Contract Review Committee to support the procurement accountability framework.

Sole-sourcing Restrictions

6. Except where a Trade Exception applies, a Department must not Sole-source

(a) services valued at $10,000 or more but less than $75,000; or

(b) goods or services in respect of construction valued at more than $50,000 but less than $100,000;

inclusive of any contractual amendments or renewals.

7. Only a Deputy Minister may authorize Sole-sourcing under a Trade Exception.

8. When Sole-sourcing, a Department must select a vendor based on merit and value to the Crown.

9. Where feasible, a Department must sole-source from a list of vendors approved by

(a) Service Alberta, where a Government-wide list is applicable, or

(b) the Department’s Contract Review Committee, where there is no applicable Government-wide list approved by Service Alberta.
Reporting of Sole-sourcing

10. Departments must publicly disclose quarterly all Sole-sourced contracts for services valued at $10,000 or more but less than $75,000, inclusive of any contractual amendments or renewals, by

(a) date,

(b) vendor name and address,

(c) department name and address,

(d) general description of the services,

(e) value of the contract, and

(f) circumstances of the procurement including the applicable Trade Exception.

11. The Controller may determine the method and form of disclosure.

12. Disclosure is not required if doing so would

(a) be contrary to the Freedom of Information and Protection of Privacy Act,

(b) impede law enforcement,

(c) prejudice the legitimate commercial interests of particular enterprises,

(d) involve a waiver of privilege,

(e) cause economic disruption, or

(f) otherwise be contrary to the public interest.

Coming Into Force

13. This policy comes into force on April 1, 2015.
SCHEDULE
Trade Exceptions

Procurement

a) from philanthropic institutions, prison labour or persons with disabilities

b) from a public body or non-profit organization

c) of services, or goods or services in respect of Construction, purchased for representational or promotional purposes outside of Alberta

d) of health services and social services

e) on behalf of an entity not covered by the New West Partnership Trade Agreement (NWPTA)

f) by entities which operate sporting or convention facilities, in order to respect a commercial agreement containing provisions incompatible with NWPTA government procurement obligations

g) where it can be demonstrated that only one supplier is able to meet the requirements of a procurement

h) where an unforeseeable situation of urgency exists and the services, or the goods or services in respect of Construction, could not be obtained by means of open procurement procedures

i) when the acquisition is of a confidential or privileged nature and disclosure through an open bidding process could reasonably be expected to compromise government confidentiality, cause economic disruption or be contrary to the public interest

j) of services provided by lawyers and notaries

k) of treasury services

l) in the absence of a receipt of any bids in response to a call for tenders