Procurement of Services

Objective

The objective is to outline the policy and procedures for procuring services.

Authority

The Financial Administration Act, 1993, clause 5(a) and subsection 10(2)

Applicability

This policy applies to ministries.

This section does not apply to construction services that are covered by specific legislation such as The Highways and Transportation Act, 1997 or The Public Works and Services Act.

Definitions

Contract is an agreement between two or more parties. A contract is considered binding when an offer to provide goods or services, at a price, is accepted.

Expression of Interest is a process which is used to gather information (e.g., cost) about an unfamiliar service/process or product in order to gain an understanding of the suppliers that may be interested in providing the service.

Invitational process is used to invite suppliers to participate in a fair, open, transparent, competitive process.

Quotes are obtained from suppliers in an informal selection process to determine prices suppliers would charge to provide a specific service.

Request for Information is a process similar to the expression of interest process used to gather information from interested suppliers before the selection process.

Request for Proposal may be utilized when price is not the only evaluation factor and when a ministry is unsure of the best solution. In this situation, the bidder proposes a solution to meet the requirements.

Short Form Competition is a process that requires less information than a standard competition due to the lower risk and dollar value.

Source List identifies suppliers of a specific service and indicates the period of time period that the service is available.
Central Services Procedures

.01 Ministries are responsible for ensuring services are awarded through a fair, open and transparent manner.

.02 Ministries are responsible to ensure that the various trade agreements are complied with for service contracts that exceed specified thresholds. For details on each, including exceptions to the thresholds, visit the following websites:

- New West Partnership - $75,000: [http://www.newwestpartnershiptrade.ca/](http://www.newwestpartnershiptrade.ca/)

.03 Ministries must ensure communications policy with respect to print, communications and promotional purchases (Section 4525 Communications/ Advertising) and that requirements for personal service contracts (Section 4210 Personal Service Contracts) are followed.

.04 Contracting for private legal services by ministries must be done in consultation with the Ministry of Justice.

Selecting a Contractor

.05 Ministries are to conduct a formal open competitive procurement process where the estimated value of the procurement of services is $75,000 or more. Any exceptions must be in accordance with the applicable trade agreements. (See paragraph 4515.12 for examples of exceptions.)

.06 Source lists or alternative processes may be used for service procurements under $75,000. For service contracts valued between $25,000 and $75,000 it is recommended that a short form competition or invitational process be followed. Service contracts valued under $25,000 may be entered into by obtaining quotes.
.07 Ministries are responsible to ensure competitions for service contracts are advertised on the provincial tender site (https://sasktenders.ca/content/public/Search.aspx). After the contract has been awarded the successful supplier’s name must be posted on the provincial tender site.

.08 The opportunity must be advertised on the provincial tender site when the procurement is $75,000 or more. Ministries are encouraged to use SaskTenders for other service procurements under $75,000 where appropriate.

.09 Ministries are not to reduce or divide the single procurement into multiple procurements in order to avoid the thresholds.

.10 There are several formal methods for selecting a supplier which include:

- A Request for Proposal (RFP) may be utilized when price is not the only evaluation factor and when a ministry is unsure of the best solution. In this situation, the bidder proposes a solution to meet the requirements. Written proposals are requested.
- Request for Information (RFI) and Expression of Interest (EOI) processes are tools to gather information (they may include cost) about a service/process or product that the ministry is not familiar with and to gain an understanding of the suppliers that may be interested in providing the service. A response to a RFI or EOI should not be used to award to a potential supplier and should not influence the chances of the participating suppliers from becoming the successful proponent in any subsequent opportunity.

.11 When employing a competitive procurement processes, take into consideration the time and effort required to conduct the process. The following guidelines should be considered:

- Procuring services is a legal process.
- Provide requirements based on need and describe the needs in generic terms.
- All suppliers should be provided identical information (e.g., requirements, a description of the competition and selection process, and appropriate terms and conditions).
- Allow sufficient time for suppliers to prepare responses.
Alternative Processes Allowed by Trade Agreements

Ministries may consider alternative processes where an exception in the trade agreement allows for it, provided that alternative processes are not used to avoid competition, discriminate between suppliers, or protect its suppliers. Examples of exceptions include the following:

- items relating to Aboriginal peoples;
- procurements from another public entity;
- where an unforeseen situation of urgency (e.g., an emergency to deal with life safety issues) does not allow sufficient time for an open procurement process;
- where the services are regarding matters of confidential or privileged nature and their disclosure could compromise government confidentiality;
- professional services being acquired are exempt from the trade agreement (e.g., legal and health services);
- if no bids are received for a conducted competition.

This is not an exhaustive list and ministries should contact Executive Council, Intergovernmental Affairs, or the Ministry of Central Services, Procurement Services for clarification.

Document Guidelines

The competitive procurement document must contain the following:

- a description of the scope of work which fully defines the requirements or services being contemplated;
- the term of the resulting agreement and any extension options;
- the evaluation methodology and the mandatory, rated and other criteria that will be used to evaluate submissions;
- the place and contact person where responses are to be sent;
- the submission date and closing time; (The closing date of a competitive procurement process should be a normal working day (i.e., Monday to Friday, excluding provincial and national holidays).)
- the place where a person can obtain information about the competition;
- the terms and conditions that will apply to the competition;
- the terms and conditions that will apply to any resulting agreement or an identification of the process to determine the resulting agreement; and
• a statement identifying the trade agreements to which the competition is subject.

Evaluation Criteria .14 Evaluation criteria to obtain the best value for services being procured should be considered. Ministries are not obliged to award the contract based on price alone. All evaluation criteria and evaluation methodology must be set out in the competition document. Examples include supplier experience, approach, project plan and timeframes, resources, proposal clarity, price, presentation, references and any other factors related to the procurement provided they are not used by ministries to avoid competition, discriminate between suppliers, or protect local suppliers.

.15 Ministries are cautioned to avoid unnecessary mandatory criteria to ensure that responses are not unnecessarily disqualified.

.16 Evaluation criteria should be developed, reviewed and approved prior to issuing a competition procurement document.

.17 The evaluation criteria may only be altered by means of addendum to the competition document prior to the competition closing date.

Timeframes .18 The procurement process should allow sufficient time for suppliers to prepare responses. Procuring entities should consider providing suppliers a minimum response time of 15 business days for service procurements. Reasonable notice should be provided for all addenda to original requests.

Late Bids .19 The Government of Saskatchewan’s general policy is that late proposals are not accepted, and that proposals that are received after the published closing time are returned unopened.

Bid Evaluation .20 Competitive procurement processes require an evaluation team to be responsible for reviewing and rating the submissions in accordance with the pre-established evaluation criteria.

.21 The method used to evaluate responses should reflect the requirements set out in the procurement document.
.22 Evaluation team members will be required to review the proposal submissions and complete an evaluation matrix, rating each submission individually. Evaluators will be required to ensure all documentation is fair, factual and fully defensible.

.23 Evaluation team members should be made aware of the restrictions related to the utilization and distribution of confidential information collected through the competitive procurement process. The evaluation team is required to keep confidential and secure all documents, data, information and other material, which is provided, obtained, or accessed under a procurement process.

Proposal Award
.24 The highest scoring proposal will be chosen as the preferred supplier.

.25 Organizations should not discriminate or exercise preferential treatment in awarding a contract to a supplier.

.26 The contract should be awarded on a timely basis.

.27 For competitions over $75,000, ministries must post contract award notification including the successful supplier/s name on SaskTenders.

Contract
.28 The agreement between the ministry and the successful supplier should be formally defined in a signed written contract based on the terms and conditions or the form agreement attached to the competition document and accepted bid response. Further information on contracts is found in Section 4510 Contracts for Services.

Supplier Debriefing
.29 For competitions, suppliers that participated are entitled to a debriefing. Ministries should allow suppliers a reasonable timeline following the date of the contract award notification to request a debriefing.

.30 A debriefing session should inform suppliers of the strengths and weaknesses of their proposal and why their proposal was or was not selected. Caution should be used in order to not share sensitive competitive information.
Conflict of Interest

.31 Ministries should consider having evaluation team members sign a conflict-of-interest declaration and/or a non-disclosure of confidential information agreement where appropriate.

.32 Ministries should refrain from engaging in activities that may create or appear to create a conflict of interest during a procurement process. If at any time during the procurement process a member of the evaluation team becomes aware of a possible conflict of interest, they should disclose details regarding the possible conflict of interest to the evaluation team.

.33 Ministries should monitor any potential conflict of interest that may arise through ministry staff, advisor, external consultant, or supplier involvement in a procurement process. Individuals involved in the activities should declare actual or potential conflicts of interest. Where a conflict of interest arises an appropriate mitigating action should be taken.

Reporting

.34 Ministries are required to report annually on services procurements completed. (See The Agreement on Internal Trade, Article 511.) This information is requested annually by Executive Council, Intergovernmental Affairs.

Assistance

.35 Ministries are encouraged to contact Procurement Services, Ministry of Central Services for assistance in procuring services.

References

2150 Capital Assets Accounting
3101 GRF Payment Responsibilities
3154 Purchase Cards
4125 Insurance
4210 Personal Service Contracts
4500 Goods and Services
4505 Purchases of Goods
4510 Contracts for Services
4525 Communications (Advertising)
4530 Transportation of Goods
4535 Rent of an Aircraft and Executive Aircraft
4540 Primary Research

The Executive Government Administration Act
The Purchasing Act, 2004
The Workers’ Compensation Act, 2013
Websites:

New West Partnership:
http://www.newwestpartnershiptrade.ca/

Agreement on Internal Trade:
http://www.ait-aci.ca/index_en.htm

Canada-US Agreement on Government Procurement: