

#### Office of the Procurement Ombudsman (OPO)



## OPO's Mandate Within the Canadian Federal System

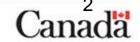
Frank Brunetta

Procurement Ombudsman Washington, September 21, 2012

Promoting Fairness, Openness and Transparency in Federal Procurement

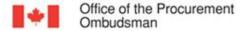
### Procurement in the Canadian Context

- ☐ Over 300,000 contracts annually \$15 to \$20B
- □ Numerous players in procurement:
  - Treasury Board
  - Justice Canada
  - Public Works and Government Services Canada
  - 100+ departments & agencies
- Multiple requirements
  - Over 15 acts of Parliament
  - Over 35 policies



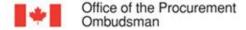
## Created to fill a gap

- ☐ Federal Accountability Act (2006) measures to strengthen accountability, increase transparency and oversight.
  - \* Office created in 2006 in operation since 2008
- ☐ Procurement system was limited in providing recourse mechanisms for suppliers dealing with small dollar value contracts
- ☐ No neutral dispute resolution mechanism available to departments & suppliers for lower dollar value contracts
- ☐ No oversight body dedicated to federal procurement



## An Independent Organization

- ☐ Government-wide mandate operating at arm's length from departments
- Reports to the Minister of Public Works and Government Services
- □ Produce an Annual Report Minister tables this report in Parliament
- □ Neither a lobbyist for suppliers nor an apologist for federal departments



# Legislative Mandate

- 1. Review complaints respecting the award and administration of contracts
- 2. Ensure Alternative Dispute Resolution (ADR) services are available
- 3. Review procurement practices of departments for acquiring goods and services

### Mission and Method

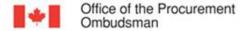




### Educate

#### □ Educate

- Listen Understand
- Provide Information
- Answer Questions
- Bring Perspective
- Monitor and share trends and developments





## What We've Heard...

- Primary areas of concern (suppliers):
  - **Evaluation & selection plan**
  - **Procurement strategy**
  - Statement of work
  - **Evaluation of my bid**
  - Contract execution
  - **Inaction by Department**
- Other areas of concern (suppliers and federal officials):
  - **Vendor performance**
  - **Procurement documentation**
  - **Training**



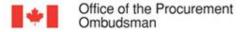
## Facilitate

#### □ Facilitate

- Informal Resolution
- Shuttle Diplomacy
- Dialogue to de-escalate issue
- Alternative Dispute Resolution (ADR)

# Alternative Dispute Resolution (ADR)

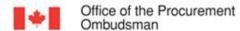
- ☐ Why:
  - Alternative to lengthy and costly litigation
  - To reach a mutually agreeable settlement and maintain business relationships
- What:
  - Disputes regarding application and/or interpretation of terms and conditions of a contract
- ☐ Who:
  - Either department or supplier can request
  - Both parties must agree to participate

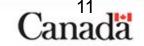




# Investigations

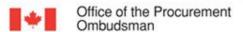
- ☐ Why:
  - To listen and address concerns from suppliers
  - Mandatory if regulatory criteria are met
- What:
  - Contract award below 25K (goods) and 100K (services)
  - Contract administration no dollar limits
- ☐ Who:
  - Canadian suppliers who submit a complaint in writing after a contract is awarded





#### Procurement Practice Reviews

- ☐ Why:
  - Focus on the prevention of problems (educate)
  - Highlight areas for improvements and stimulate discussion
  - Identify and share effective practices
  - Provide balanced and useful recommendations
- ☐ What:
  - Review practices of departments to assess fairness, openness and transparency
  - Look at "systemic issues" in federal procurement
- ☐ Who:
  - Federal departments and agencies





## Office of the Procurement Ombudsman

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