



Contracting Policy Notice 2000-4 – Changes to the Advance Contract Award Notice (ACAN) Policy and New Guide for Managers – Best Practices Using Advance Contract Award Notice (Archived)

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DATE: December 1, 2000

TO: Functional Heads, Finance and Administration of all Departments and Agencies

SUBJECT:

1. Changes to the Advance Contract Award Notice (ACAN) Policy
2. New Guide for Managers - Best Practices Using Advance Contract Award Notice (see attached).

SUMMARY

IN EARLY OCTOBER 2000, THE TREASURY BOARD APPROVED CHANGES TO THE ADVANCE CONTRACT AWARD NOTICE (ACAN) POLICY, ONE OF THE COMPETITIVE TOOLS USED IN GOVERNMENT CONTRACTING. SPECIFICALLY:

- **THE DEFINITION OF AN ACAN HAS BEEN STRENGTHENED TO MORE CLEARLY RECOGNIZE THIS EFFICIENT APPROACH TO COMPETITION, FOR BOTH THE GOVERNMENT AND SUPPLIERS.**
- **AN ACAN WILL BE POSTED FOR 15 CALENDAR DAYS. SUBMISSIONS OF STATEMENTS OF CAPABILITIES, FORMERLY REFERRED TO AS "CHALLENGES", MUST ALSO BE SUBMITTED WITHIN THE 15 DAY POSTING PERIOD.**
- **THE DECISION TO REJECT A SUPPLIER'S STATEMENT OF CAPABILITIES WILL BE NOT BE MADE BY THE SAME OFFICIAL(S) WHO ORIGINALLY DECIDED TO PROCEED THROUGH AN ACAN PROCESS.**

ALL RELEVANT DEPARTMENTAL ADMINISTRATIVE POLICIES AND PROCEDURES ARE TO BE AMENDED TO REFLECT THESE CHANGES.

BACKGROUND

1. The Treasury Board has approved changes to the Contracting Policy with respect to the use of Advance Contract Award Notice. The Board has also endorsed the attached *Guide for Managers - Best Practices Using Advance Contract Award Notices*, which provides guidance on how to use an ACAN for program and contracting officials.

ACAN is a Competitive Tool

2. An Advance Contract Award Notice allows departments and agencies to post a notice for no less than 15 calendar days, indicating to the supplier community that it intends to award a good, service or construction contract to a pre-identified contractor.
3. If no other supplier submits during the 15-calendar day posting period, a statement of capabilities that meets the requirements set out in the ACAN, the competitive requirements of the Government's Contracting Policy have been met.
4. Following the notification of suppliers not successful in demonstrating that their statement of capabilities meets the requirements set out in the ACAN, the contract may then be awarded using the Treasury Board's electronic bidding authorities.
5. If other potential suppliers submit statements of capabilities during the 15 calendar day posting period and meet the requirements set out in the ACAN, the department or agency must proceed to a full tendering process on either the government's electronic tendering service or through traditional means, in order to award the contract.
6. With respect to statements of capabilities that are not accepted, the decision to reject will be impartial and independent in that it will not be made by the same official(s) who originally decided to proceed through an ACAN process.
7. Advance Contract Award Notice can only be used if the proposed procurement meets one of the exceptions to solicit bids under the Government Contracts Regulations (GCRs) and, where appropriate, the limited tendering reasons of the trade agreements.

Guide for Managers - Using Advance Contract Award Notice

8. The new ACAN policy is accompanied by a guide to assist managers in using ACAN (see attached) to ensure strengthened practices for this competitive tool.
9. The new guide is designed to assist managers in improving the quality of information provided to suppliers about a particular procurement. The guide also includes criteria for assessing the qualification of suppliers to improve the quality of information government receives in order to assess a supplier's statement of capabilities.
10. The guide calls for strengthened communication by ensuring suppliers are given written confirmation of the status of their statement of capabilities prior to proceeding to award a contract or to a traditional or electronic competitive process.

Implementation of the ACAN policy in departments

11. Departments and agencies should ensure that their policies and practices are consistent with the new ACAN policy.
12. Departments and agencies may wish to publish Best Practices for line managers and contracting officials.

Monitoring

13. Departments and agencies should monitor the use of Advance Contract Award Notice to ensure that the policy is being followed and periodically review practices to ensure they are consistent with the Government's Contracting Policy.
14. In this regard TBS will review with a number of departments and agencies the specific measures put in place to implement these policy changes no later than November 2001.

15. In the Spring of 2002 the Secretariat will review with Departments and agencies the quality of ACAN relative to policy requirements. This will be completed for the Fall of 2002.

Enquiries

16. The Guide for Managers - Using Advance Contract Award Notice and the Government's Contracting Policy can be found on the Treasury Board web site at http://www.tbs-sct.gc.ca/pubs_pol/dcgpubs/Contracting/acan_guide-eng.asp by the end of November.
17. For further information please contact Maryanne Boughner at (613)957-0202 or by fax at (613)952-1381 or by E-mail at boughner.maryanne@tbs-sct.gc.ca.

Roberta Santi

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Risk, Procurement and Asset Management Policy Sector

Date modified:

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