

Government Purchasing Agency



Business Plan 2006 - 2008



Message from the Minister



I am pleased to provide the 2006-2008 Business Plan for the Government Purchasing Agency. In the development of this plan careful consideration was given to the strategic directions of government. The directions that require action or involvement of the Government Purchasing Agency form the foundation for this plan and have been communicated to the Government Purchasing Agency for consideration in the development of its plan. These directions have been outlined in Appendix A.

The Government Purchasing Agency is a Category 2 government entity, which plans and reports at an output level, as reflected in this business plan. The plan provides an overview of the Government Purchasing Agency and identifies key goals and objectives to be accomplished during the fiscal period covered by the plan. As the Minister responsible for the Government Purchasing Agency, I am accountable for the preparation of this plan and for the achievement of the specific goals and objectives contained therein.


Dianne Whalen
Minister

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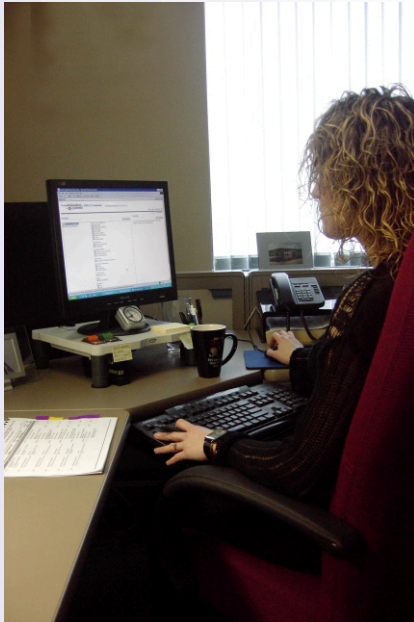
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Vision

The vision of the Government Purchasing Agency is of an informed public sector and supplier community participating in a transparent and equal opportunity procurement environment.

Mission

By 2011, the Government Purchasing Agency will have improved internal business processes to enhance efficiencies in the procurement process.

Goal

By 2008, the Government Purchasing Agency has initiated the collection of select baseline data for its internal business processes.

Objectives

1. By 2007, the Government Purchasing Agency has initiated processes to collect select baseline data.
2. By 2008, the Government Purchasing Agency has initiated the collection of select baseline data for its internal business processes.



The Government Purchasing Agency (the Agency) is an independent branch of the public service with 27 staff positions under the management and control of a Chief Operating Officer. The Agency operates under the authority of the Government Purchasing Agency Act and the Public Tender Act.

The Government Purchasing Agency Act outlines the mandate of the Agency and provides for its operation. The Public Tender Act is the primary legislation that governs procurement in the public sector. The main goal of the Public Tender Act is to ensure that procurement is conducted in an open and competitive environment while maintaining fair and equitable opportunities for suppliers to compete for government business. The existence of a competitive process assists in ensuring that government obtains the best price for the goods and services required. The Public Tender Act also offers the flexibility to issue a Request for Proposals instead of an Invitation to Tender when other criteria, in addition to price, are to be considered. The Public Tender Regulations provide guidance on issuing a Request for Proposals in order to maintain an open and competitive process. The ability of the Agency to provide an opinion with respect to exceptions to the Public Tender Act, coupled with the Agency's training and audit and review programs, facilitates compliance with the Public Tender Act.

The Agency is organized into two divisions, the Purchasing, Policy and Administration Division and the Audit, Information and Training Division. With respect to staffing, the Agency has a female to male ratio of approximately 2.8:1.



The Purchasing, Policy and Administration Division provides purchasing services to government departments and coordinates joint purchasing initiatives with departments and other governments. In addition, this division determines purchasing policies, administers advertising and the corporate charge card program, disposes of government assets, and is responsible for the supplier development initiative and procurement agreements.

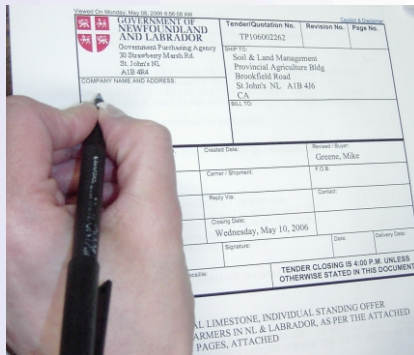
The Audit, Information and Training Division directs the audit and accountability function for the Government Purchasing Agency. This division also provides training and information sessions to government-funded bodies, departments and the general public on procurement, and monitors and reports tender information and exceptions to the Public Tender Act.

The Agency is located in the Petten Building, 30 Strawberry Marsh Road, St. John's and services all its clients from this location. The Agency maintains a website where the public may access information about procurement within the Government of Newfoundland and Labrador as well as bidding opportunities that may be available. The address of the website is www.gpa.gov.nl.ca.

The Agency is responsible for the acquisition of all goods and services that are required by the departments of the public service. The Agency may delegate purchasing authority to departments where it is deemed by the Chief Operating Officer that by doing so would be in the interest of efficiency. The Agency may also acquire the goods and services that are required by a government-funded body that is not a department of the government where the Chief Operating Officer has deemed it to be efficient and where direction has been provided by the Lieutenant-Governor in Council. The Agency is also responsible for a joint purchasing advisory board, currently the Central Purchasing Authority.

The Agency also has a reporting function with respect to exceptions to the Public Tender Act, awards to other than the preferred bidder and information respecting the tender invitation and tender award. The Chief Operating Officer also has the authority to provide an opinion with respect to the sufficiency of the grounds for exceptions to the Public Tender Act.

The Agency also has an auditing function and provides training on the Public Tender Act. The Agency, in conjunction with other departments, is also tasked with the supplier development initiative for the province.



The Government Purchasing Agency provides the following lines of business:

1. Procurement Cycle

The procurement cycle includes the advertising, tendering, acquisition of goods and services and the disposal of assets on behalf of government entities. It also includes the provision of corporate charge cards to government employees. In accordance with the Public Tender Act, goods and services in excess of \$10,000 are publicly tendered unless special circumstances exist. Acquisitions less than or equal to \$10,000 require three quotes or a fair and reasonable price must be established. As a result of the Atlantic Procurement Agreement and the Agreement on Internal Trade, local businesses can bid on tenders throughout the country, within established thresholds. The Government Purchasing Agency has delegated purchasing authority to provincial government departments within specified limits.

2. Audit, Information & Training

The Government Purchasing Agency provides information and training regarding the Public Tender Act, Government Purchasing Agency Act, Atlantic Procurement Agreement, the Agreement on Internal Trade, and purchasing policies and procedures. Information sessions for the general public are designed to promote an understanding of the public procurement process. Training sessions for government departments and government-funded bodies focus on the requirements of procurement legislation and standard purchasing practices. The Government Purchasing Agency also has an auditing function, which promotes accountability and the proper application of procurement legislation.

The core values explain the character of the organization we promote. The strategic values ensure our core values are visible throughout the organization and recognizing that the action statements may change in the next plan, it was decided that the actions which need to be enhanced during the subsequent two years could be articulated as follows:

Core Value	What this Means to Us
Accountability	Each person fulfills assigned duties.
Cooperation	Each person interacts with peers to problem solve.
Dedication	Each person completes all tasks efficiently and effectively.
Honesty	Each person treats clients in a non-discriminatory manner.
Respect	Each person fulfills commitments to others.

Primary Clients

The primary clients of the Government Purchasing Agency are provincial government departments, government-funded bodies and suppliers.

Vision

The vision of the Government Purchasing Agency is of an informed public sector and supplier community participating in a transparent and equal opportunity procurement environment.

Mission

The mission statement identifies the priority focus area of the Minister over the next two planning cycles. It represents the key longer-term result that the Minister and the Agency will be working towards as they move forward on the strategic directions of Government. The statement also identifies the measures and indicators that will assist both the entity and the public in monitoring and evaluating success.

The Government Purchasing Agency has transitioned to a separate arm's-length entity with an increased focus on its governance role with respect to public procurement. In order to achieve its mandate within a fiscally responsible framework, the Agency will need to assess its internal business processes to enhance efficiencies. The mission of the Government Purchasing Agency may be articulated as follows:

By 2011, the Government Purchasing Agency will have improved internal business processes to enhance efficiencies in the procurement process.

Measure 1: Improved Internal Business Processes

Indicators

- clear and defined work flow for procurement processes
- timelines set and accomplished
- proper allocation of duties
- policies and procedures are clear and efficient
- assessment of purchasing authority and consolidation of purchasing activity for volume buying
- clarity of roles
- staff training opportunities

Measure 2: Enhanced Efficiencies

Indicators

- expanded signing authorities
- evidence of team work
- improved turn-around times



In consideration of Government's strategic directions and the mandate and financial resources of the Government Purchasing Agency, the following area has been identified as the key priority of the Minister for the next two years. The goal identified reflects the results expected in the two-year timeframe while the objectives provide an annual focus. Measures and indicators are provided for both the goal and the first year's objective to assist both the Government Purchasing Agency and the public in monitoring and evaluating success.

Issue:
Internal Business Processes

The Government Purchasing Agency administers several programs within its mandate to service government departments, government-funded bodies and the public. Program information is generally available at the Government Purchasing Agency within each program area; however, a structured reporting system has not been developed and manual data extraction is necessary in many instances. Current processes do not easily permit a detailed analysis of the information available or facilitate an agency-wide examination of all programs. In order to work towards enhancing efficiencies in the procurement process and assessing opportunities, such as strategic volume buying, the Government Purchasing Agency will need to collect baseline data for analysis.

Goal

By 2008, the Government Purchasing Agency has initiated the collection of select baseline data for its internal business processes.

Measure:

Initiated the collection of select baseline data for its internal business processes.

Indicators:

Report containing supportive data and/or information including, but not limited to, turnaround times and program statistics.

Objectives

1. **By 2007**, the Government Purchasing Agency has initiated processes to collect select baseline data.

Measure: Processes have been initiated to implement the collection of select baseline data.

Indicators: The data needed related to the indicators in the goal are delineated. Needs assessment including, but not limited to, technological, financial and human resource requirements.

2. **By 2008**, the Government Purchasing Agency has initiated the collection of select baseline data for its internal business processes.



Strategic directions are the articulation of desired physical, social or economic outcomes and normally require action by more than one government entity. These directions are generally communicated by Government through platform documents, Throne and Budget Speeches, policy documents, and other communiqués. The Transparency and Accountability Act requires departments and public bodies to take into account these strategic directions in the preparation of their performance-based plans. This action will facilitate the integration of planning practices across Government and will ensure that all entities are moving forward on key commitments.


The directions related to the Government Purchasing Agency are provided below. Each strategic direction is comprised of a number of components, or focus areas. These focus areas will be addressed through the various planning processes of the Agency. As indicated in the table below, some have been addressed in this business plan while others are addressed in the operational and/or work planning processes.

1. Title:

Compliance with the Public Tender Act

Outcome Statement:

Enhanced transparency and accountability in the procurement process. This requires systemic intervention in the following area:





Components of Strategic Direction	Applicable to Other Entities Reporting to the Minister	This Direction is addressed:		
		in the entity's business plan	in the entity's operational plan	in a work plan of the entity
1. Enhanced compliance with respect to the Public Tender Act as it relates to goods and services through auditing, reporting, challenging of exceptions and training initiatives.				

2. Title:

Supplier Development

Outcome Statement:

Improved access to procurement opportunities for suppliers. This requires systemic intervention in the following areas:

Components of Strategic Direction	Applicable to Other Entities Reporting to the Minister	This Direction is addressed:		
		in the entity's business plan	in the entity's operational plan	in a work plan of the entity
1. Participation in intergovernmental procurement agreements to improve access to Canada's \$100-billion public sector procurement marketplace.				
2. Implementation of a process for the filing of public tender notices and resultant contract award information with the Government Purchasing Agency.				
3. Review of data collected under the notification system to determine the success of local companies in respect to government procurement to identify strategies for furthering supplier development.				
4. Determination of potential bidding opportunities for local suppliers in large public works contracts.				

3. Title:

Procurement

Outcome Statement:

Improved efficiencies in the procurement process. This requires systemic intervention in the following areas:

Components of Strategic Direction	Applicable to Other Entities Reporting to the Minister	This Direction is addressed:		
		in the entity's business plan	in the entity's operational plan	in a work plan of the entity
1. Review of additional opportunities for the use of strategic volume buying for government department requirements.		✓		
2. Assessment of the delegation of purchasing authority to determine achieved efficiencies and opportunities for volume buying.		✓		