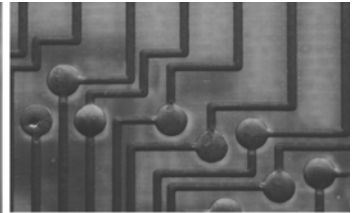
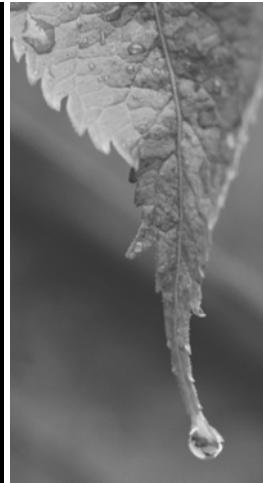




# Supply Manual



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**Prepared by:**

**Acquisition Policy and Process Directorate  
Public Works and Government Services Canada**

# **SUPPLY MANUAL**

## **Chapter 6**

### **Approvals and Authorities**

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## Chapter 6 Approval and Authorities

### 6.1 General

(2010-01-11)

- (a) This chapter addresses the various types of plans, reviews and approval processes associated with procurement based on the different authority levels. These forms and approval processes apply to contracts/standing offers and supply arrangements. It also contains the authorities for approving and signing procurement documents and details special approval considerations and exceptions to approval authorities. Contracting officers will also find information for interpreting and using the authorities.
- (b) Contracts are entered into by Her Majesty the Queen as represented by a minister. The authority to enter into contracts is generally in the legislation constituting the department and conferring certain powers on the minister. The [Department of Public Works and Government Services Act](#) confers the Minister's contracting authority. The Minister's authority is delegated to officers throughout the Department in order to carry out the internal contract process.
- (c) The financial limits are established by Treasury Board pursuant to the *Financial Administration Act* and are set out in the Treasury Board Contracts Directive.
- (d) Contracting officers are delegated authorities to enter into contracts and to sign and amend contracts in accordance with the level of responsibility of the position they occupy. Details of the delegated authorities and obligations are provided in [6.20](#).
- (e) Contracting officers must not split contracts or contract amendments in order to avoid obtaining either the approval required by statute, the Treasury Board Contract Directives or appropriate management approval. Furthermore, contracts must not be split to avoid Canada's obligations under national or international trade agreements, or the application of Public Works and Government Services Canada (PWGSC) procurement policies.

### 6.5 Procurement Approval Documents

(2010-01-11)

- (a) The commodity, the dollar value of a procurement and other factors such as an emergency or the stage in the procurement process will determine the level of approval that contracting officers will need to seek, as well as the associated process that will be followed. To determine the appropriate approval level and approval document required, contracting officers must refer to the approval authorities for various commodities and other considerations outlined in [6.20](#).
- (b) The different types of approval processes or forms are listed below:
  - (i) Procurement Plan;
  - (ii) Contract Planning and Advance Approval (CPAA);
  - (iii) CPAA Resubmission;
  - (iv) Contract Summary;
  - (v) Contract Request;
  - (vi) Treasury Board Submission;
  - (vii) Contract Amendment Request.
- (c) The sections below describe these documents. The approval documents may require additional reviews as detailed in [6.10](#).

- (d) For requirements valued over \$50,000, before the contracting officer takes any significant procurement actions, the procurement strategy must be approved to use either a procurement plan or a CPAA. Significant actions include publishing a Letter of Interest, an Advance Contract Award Notice (ACAN), a Notice of Proposed Procurement (NPP) or the solicitation. The CPAA or procurement plan must be approved before the NPP, ACAN or the solicitation is released.
- (e) Requirements for less than \$50,000 are approved according to sector/region procedures. However, when invoking 6.(d) of the *Government Contracts Regulations* (GCRs), all procurements over \$25,000 must have appended to all approval documents, and documented on file, answers to the seven questions at [Annex 3.1](#).

### 6.5.1 Procurement Plan

(2010-01-11)

- (a) The Procurement Plan is a document that sets out the intended strategy for how a procurement will be carried out before any significant procurement actions are performed, such as the posting of an ACAN or the commencement of negotiations. The procurement plan is a key point for discussing and reviewing such matters as competition or sole source and industrial and regional benefits.
- (b) Before issuing a solicitation for any procurement, contracting officers must obtain approval for the procurement plan at the appropriate level. The appropriate approval document must be used depending on the approval authority level required, as indicated in [6.5.1.1](#) and [6.5.1.5](#). Before issuance of the resulting contract, the contracting officer will also need to seek contract approval.
- (c) There are two forms available for procurement plans:
  - (i) the Procurement Plan for procurements at or below director general approval level; and
  - (ii) the Formal Procurement Plan template.

#### 6.5.1.1 Procurement Plan for Procurements below Director General Level

(2010-01-11)

- (a) The Procurement Plan form, available in the Automated Buyer Environment (ABE), is used for procurements estimated to be at or below director general level. This procurement plan is used when there is insufficient information required for a CPAA.
- (b) The procurement plans are prepared for the signature of the appropriate approval authority. Contracting officers should refer to [3.5](#) for a list of some items that could be included in the procurement plan.

#### 6.5.1.5 Formal Procurement Plan

(2010-01-11)

- (a) The Formal Procurement Plan is required for the approval of the procurement strategy and is normally prepared for:
  - (i) all procurements estimated to exceed the approval levels of directors general;
  - (ii) all procurements for the services of former public servants in receipt of a pension where the fee component is estimated to exceed \$25,000 for non-competitive contracts or \$100,000 for competitive contracts;
  - (iii) all procurements which will or may require the Minister's involvement at some stage.

- (b) The procurement plan is prepared for the signature of the assistant deputy minister who has **full authority** to approve procurement plans (e.g., no dollar threshold). Contracting officers should normally prepare the formal procurement plan in accordance with the template at Annex 6.1.
- (c) The exclusions are the supply of edible agricultural and fishery products purchased for foreign aid programs, and Canadian Commercial Corporation (CCC) contracts.
- (d) If there are significant changes to the original Procurement Plan, then a procurement plan resubmission must be submitted.

### 6.5.5 Contract Planning and Advance Approval

(2010-01-11)

- (a) The Contract Planning and Advance Approval (CPAA) process allows for the Procurement Plan and the Contract Request approval to be done at the same time for simple requirements when most, if not all, details are known early on.
- (b) The CPAA is used when the estimated value of the procurement is \$50,000 or more and falls within approval levels up to and including director general and regional director general, unless a procurement plan applies to the procurement (see [6.5.1](#)). Sector and regional procedures apply for requirements estimated at less than \$50,000.
- (c) The CPAA should not be used if there is insufficient known information about the expected results of the procurement action, (e.g., price may not be within a certain range).
- (d) The CPAA process allows contracting officers to issue contracts/standing offers/supply arrangements without further reference to the approval authority when there are no significant changes to the procurement strategy in the approved CPAA. Following approval of the CPAA, the contracting officer will proceed with the procurement action until the contract is ready to be awarded. If the procurement action results in a significant change from the originally approved plan before the contract is awarded, the CPAA must be resubmitted in accordance with [6.5.5.5](#). If there is no significant change, the contracting officer will prepare the contract for the appropriate signing authority.
- (e) Contracting officers must use a Contract Summary detailed in [6.5.5.10](#) in accordance with sector and regional procedures to document the procurement pursuant to a CPAA.
- (f) The CPAA form is available on the Automated Buyer Environment (ABE) system.

#### 6.5.5.1 CPAA Instructions

(2010-01-11)

- (a) Contracting officers must complete the CPAA form available in ABE and explain the procurement strategy. For competitive procurements, state whether the Government Electronic Tendering Service (GETS), other public advertising, or source lists (i.e. one time, ongoing), etc., will be used. When a non-competitive (sole source) procurement strategy is chosen, the legal authority to use an exception to the competitive bidding process must be stated in the document (see [3.15](#)).
- (b) Contracting officers should include the following information, as applicable:
  - (i) proposal/description: state the action proposed (e.g. to obtain approval to; to obtain advance approval, etc. Describe the requirement including options, if applicable;
  - (ii) approval value;

- (iii) under Remarks: address applicable issues such as:
    - (A) for competitive procurements, state whether GETS or other public advertising, source lists (i.e., one time, ongoing), etc. will be used.
    - (B) when a non-competitive (sole source) procurement strategy is chosen, the document must state the legal authority to use an exception to competitive bidding;
  - (iv) policy issues: identify any socio-economic considerations, potential major risks or deviations from policy and recommended course of action.
  - (v) evaluation criteria: identify the evaluation criteria and the solicitation method to be used including the pricing basis, mandatory and/or point rating criteria.
  - (vi) contractor selection method: selection method to be used.
  - (vii) milestones: give target dates for important milestones (e.g. bid solicitation, contract award, delivery schedule).
  - (viii) additional remarks: indicate any additional information that should be brought to the attention of the approval authority.
- (c) Before submitting the CPAA to the appropriate approval authority, copies of the completed form must be sent to all line management officers between the contracting officer and the approval authority as well as sector/region resources such as Legal Services, Contract Quality Control (CQC) and cost analysis, where applicable. (See [Annex 6.4](#) relative to conditions imposed on the approval authority limits).
- (d) On receipt of the submission, the approval authority will, within two working days, review it and either grant full approval to proceed or identify concerns and direct changes to the proposed strategy.
- (e) Following approval of the CPAA, the contracting officer will proceed with the procurement action. If the procurement action results in a significant change from the originally approved plan before the contract is awarded, the CPAA must be resubmitted in accordance with [6.5.5.5](#). If there is no significant change, the contracting officer will prepare the contract for the appropriate signing authority.

**6.5.5.5 CPAA Resubmission**  
(2010-01-11)

- (a) The CPAA Resubmission form is used when there is significant change to the originally approved CPAA. Contracting officers must address the change in this form and submit to the appropriate approval authority in accordance with sector and region procedures.
- (b) Once the approval is received, the contracting officer will proceed with the procurement action required.
- (c) The CPAA Resubmission form is available on ABE.

**6.5.5.10 Contract Summary**  
(2010-01-11)

- (a) The Contract Summary is used pursuant to an approved CPAA to document the actions take before issuing a contract/standing offer/supply arrangement. If a significant change was done to

the approved CPAA, then a Contract Request form must be used. Note also that the approval authority can request that a Contract Request be done, either automatically or based on certain conditions.

- (b) The Contract Summary is also used to detail the results of the bid evaluation and selection.
- (c) The Contract Summary form is available on the ABE System.

### 6.5.10 Contract Request

(2010-01-11)

The Contract Request is used pursuant to a formal procurement plan to seek approval to issue a contract/standing offer/supply arrangement at the assistant deputy minister, deputy minister or minister approval level. It is also used when there has been a significant change to the expected result detailed in the CPAA and appropriate approval authority is required.

See [Annex 6.2](#) for instructions on the preparation of the contract request.

### 6.5.15 Treasury Board Submission

(2010-01-11)

- (a) A Treasury Board (TB) submission is an official document submitted by the Minister on behalf of a department and is used to seek approval from TB ministers when there is a requirement for TB approval. TB approval is required for any contract or contract amendment exceeding the limits outlined in [Annex 6.4.2](#) or [Annex 6.4.3](#).
- (b) A TB submission can also be used to seek advance approval (e.g., at the stage when the procurement strategy has not been fully developed) with appropriate justification. TB ministers base their decision to approve, in this circumstance, on the information provided in the remarks section of the TB submission. Treasury Board Secretariat (TBS) analysts include in the analysis a risk assessment of the elements in the solicitation process outlined in the submission. If at any point during the bid solicitation process there is any deviation from what has been stated in the TB submission, the contracting officer must contact the TBS analyst to determine whether the change warrants further action, such as a letter to the TB President or a new TB submission. Contracting officers are to keep written advice from the TBS analyst on the procurement file.
- (c) Contracting officers must prepare TB submissions in accordance with the following:
  - (i) the TB guidelines found in its publication : [A Guide to Preparing Treasury Board Submissions](#) and supplemented by the Acquisitions Branch (AB) “Treasury Board Submission Guide for Goods or Services Contracting”. (**Note:** *Document to be available in the very near future on the AB Web site.*) The contracting officers must consult the AB guide as it contains the most recent requirements provided by TBS.
  - (ii) the following substantiation, as required, must be included in all TB submissions:
    - (A) submissions seeking approval of a non-competitive contract must provide an explicit and compelling rationale for not using a competitive process; and,
    - (B) submissions seeking approval for a competitive or non-competitive contract must provide an assessment of the extent to which TB approval of the proposals could limit, or encourage, the competitiveness of related procurement activities in the future.

- (d) Proposed contracts and contract amendments, which require TB approval, must be approved by TB before they are entered into and before any work has begun.
- (e) Public Works and Government Services Canada (PWGSC) cannot enter into a contract, or make any contractual commitment (i.e., Letter of Intent), which constitutes the first step of a project that may subsequently require TB consideration and approval.
- (f) When TB has approved an amendment, PWGSC may further amend the contract without TB approval if the cumulative value of the amendments after each issuance of an amendment pursuant to a TB approval does not exceed the non-competitive amendment level set out in [Annex 6.4.2](#) or [Annex 6.4.3](#).
- (g) TB approval is also required for a number of areas described in the TB directives and circulars, as well as for the making of any "extra payment," i.e., a payment where a legal liability does not exist or has not been accepted by Canada, or where there is uncertainty that a legal liability exists under the contract.

#### 6.5.15.1 Translation

(2010-01-11)

- (a) Part 1 of the TB submissions must be prepared in both official languages, presented side by side.
- (b) When translation services are required for a technical or specialized document, it is helpful to send the translators a copy of an early draft so that any required terminology research may commence in order to expedite translation. Departmental standard procurement templates or other templates that have been translated and approved must be provided as a reference guide to the Translation Bureau to ensure consistency of terminology.
- (c) Contract amendment requests requiring TB approval must be prepared in a bilingual format using the form [PWGSC-TPSGC 1151-1](#), Contract Request/Contract Amendment Request. (**Note:** *Only government employees have access to the site.*)

#### 6.5.15.5 Retroactive Approval of Contract:

(2010-01-11)

TB ministers will entertain submissions requesting retroactive approval of a contract or contract amendment only under **exceptional** circumstances, e.g., urgent cases involving public safety or security, incidents or cost overruns. In such cases, TB requires certification that the minister concerned agreed to the commencement of the work before receiving TB approval including a full report on the reasons, the managerial responsibilities involved and corrective actions taken.

#### 6.5.20 Contract Amendment

(2010-01-11)

- (a) The contract amendment approval document is used to seek approval to amend a contract/standing offer/supply arrangement. The amendment approval authority required will determine the document to be used. The amendment approval documents are:
  - (i) the "Contract Amendment Request" form, available in ABE, is used for director general and regional director general approval and below, at the sector's or region's discretion;
  - (ii) the form [PWGSC-TPSGC 1151-1](#), Contract and Contract Amendment Request, must be used for assistant deputy minister, deputy minister or minister approval;
  - (iii) the TB submission form, available in the TB publication [A Guide to Preparing Treasury Board Submissions](#), must be used for amendments requiring TB approvals;

- (iv) see [Annex 6.3](#) for instructions on the preparation of contract amendment approval documents listed in (i) and (ii) above. For TB submissions, see [6.5.15](#).

## 6.10 Additional Reviews

(2010-01-11)

The contracting officer is responsible for ensuring that the procurement document(s) receive appropriate review and approval by the proper area or authority. Below are some of the reviewing authorities that must be consulted before or during the approval process.

### 6.10.1 Contract Quality Control Review

(2010-01-11)

- (a) Contract Quality Control (CQC) within the Acquisition Program Integrity Secretariat must conduct a pre-award review of all proposed approval documents for Senior Director and above. CQC will review the accuracy and adequacy of the approval documents and provide observations on a “Comments Sheet” to the contracting officer.
- (b) In the regions, the Regional Quality Assurance (RQA) reviews proposed approval documents for Regional Director approval level and up, and is responsible for reviewing the accuracy and adequacy of the approval documents. For approval documents above the RDG approval level, CQC provides input to the RQA.
- (c) Regardless of value, recommendations involving deviations from government contracting policies must be submitted to CQC for review, following which, the DG/RDG will recommend the approval documents to the Assistant Deputy Minister, Acquisitions Branch, for approval.
- (d) For contracts requiring approval at the level of Senior Director and Regional Director or above, a condition of exercising delegated authority is that CQC, the cost analyst and legal counsel must be given the opportunity to review the approval documents and provide comments. For contracts above a DG’s approval level, these comments should be included as supporting data in Part 2, Section F of the form [PWGSC-TPSGC 1151-2](#), Contract Request (see [Annex 6.2](#).)

### 6.10.5 Legal Services Review

(2010-01-11)

- (a) A legal review must be obtained for any TB submission, contract or contract amendment requests and the Contract Planning and Advance Approval (CPAA), which either:
  - (i) is at or above the Senior Director/Regional Director approval level; or
  - (ii) is in excess of \$50,000,000.
- (b) Legal Services must also be consulted when the contracting officer is considering a deviation from *Standard Acquisition Clauses and Conditions* Manual clauses or the departmental standard procurement templates. The contracting officer should also seek advice from Legal Services on sensitive requirements. See [3.110](#) for other situations requiring consultation with Legal Services.
- (c) Legal Services must review any requests for lessening Canada’s full rights at law, a disclaimer, limitation of the contractor’s liability, or decrease of the warranty time period. The proposed changes must also be acceptable to the client, and form part of the submission requesting approval.

### 6.10.10 Cost Analysis Review

(2010-01-11)

- (a) The cost analysis review must be obtained for any TB submission, contract or contract amendment requests and CPAA, which either:
  - (i) is at or above the Senior Director/Regional Director approval level; or
  - (ii) is in excess of \$50,000,000.
- (b) The Cost Analyst will be required to review the approval documents and provide an opinion on:
  - (i) the financial capability of the supplier;
  - (ii) the reasonableness of the proposed costing rates in sole source procurement only.

### **6.10.15 Industrial Security**

(2010-01-11)

Contracting officers should ensure that any industrial security requirement is addressed in the approval documents and that the Canadian Industrial Security Directorate (CISD) has done a review as appropriate. For more information on industrial security, see [4.30.10](#) to [4.30.30](#) and [5.15](#).

### **6.10.20 Client Department Review**

(2010-01-11)

- (a) Client departments must review and provide their written concurrence with the solicitation document and the TB submission.
- (b) For the generic division of anticipated types of responsibilities between PWGSC and client departments, consult [Annex 1.1](#); for the two client-specific agreements with the Department of National Defence, consult [Annex 1.2](#).
- (c) A specific procurement may require the modification or deletion of individual conditions. These changes must be discussed with the client before inclusion in the solicitation or contract/standing offer/supply arrangement, to ensure that complete understanding exists as to the extent of the client's rights and responsibilities. For the responsibilities of the client department with respect to the solicitation, see [4.75.1](#).

### **6.15 Solicitation Checklist**

(2010-01-11)

The contracting officer must complete the form [PWGSC-TPSGC 515](#), Solicitation Checklist, available to PWGSC only for solicitations for goods or services, with the exception of requirements below \$25,000. The completed Solicitation Checklist and the solicitation document must be reviewed and approved by the appropriate approval level (including requirements at the contracting officer's approval level) and placed on the procurement file.

### **6.20 Contract Approval and Signing Authorities**

(2010-01-11)

- (a) The internal approval and signing authorities, the conditions imposed on the approval authority limits, the exceptions to the approval authority limits and other guidelines are contained in the following annexes:
  - (i) [Annex 6.4](#), Conditions Imposed on the Approval Authority Limits for PWGSC Personnel:  
This annex provides information on the conditions imposed on approval authority limits.

- (ii) [Annex 6.4.1](#), Approval Authorities and Additional Signing Authorities in Support of Clients' Programs Only – Other than for Canadian Commercial Corporation:

This annex provides a summary of the authorities and exceptions to these authorities.

- (iii) [Annex 6.4.2](#), Basic Contracting Limits

- (A) Instructions on using the following tables;
- (B) Basic Contracting Limits – Goods;
- (C) Basic Contracting Limits – Services;
- (D) Basic Contracting Limits – Construction;
- (E) Basic Contracting Limits – Non-regulated Telecommunications Services;
- (F) Basic Contracting Limits - A&E Services;

- (iv) [Annex 6.4.3](#), Exceptional Contracting Limits

- (A) Instructions relative to the following tables;
- (B) Table 1 addresses: conditional emergency contracting authority, special contracting limits (transportation services from common carriers; regulated electricity, gas, water, sewage disposal, heat and telecommunications services; deregulated electricity and natural gas); repair and overhaul of military equipment; and procurement under U.S. Foreign Military Sales Program.
- (C) Table 2 addresses: procurement of ammunition under the Munitions Supply Program; agreements for the supply of edible agricultural products for foreign aid programs; agreements for the transport by ocean-going vessel of any goods shipped for CIDA; and procurement of bulk fuels.
- (D) Table 3 addresses: standing offers and supply arrangements; and energy management contracts.
- (E) Table 4 addresses: disposal of surplus Crown assets; sales limitations, inventory shortages, claims and discrepancies.
- (F) Table 5 addresses: other authority limits (Canadian Commercial Corporation, instructions tools and equipment required by contractors for repair and overhaul of defence supplies; Certification of Defence Supplies, Seized Property Management and Disposal and Disposal of Seized Real Property).

- (v) [Annex 6.4.4](#), Notes to Exceptional Contracting Limits;

- (vi) [Annex 6.4.5](#), Table of Equivalent Positions;

- (vii) [Annex 6.4.6](#), Contract Amendment Approval Instructions;

- (b) Contract approval and signing authorities in support of clients' programs must be exercised in accordance with the applicable legislation and regulations, and within PWGSC policies and guidelines.

- (c) The contract approval and signing authorities detailed in [Annex 6.4.2](#) and [Annex 6.4.3](#) are applicable to procurement requirements from client departments including when PWGSC is a client.

- (d) The contract approval and signing authorities in support of clients' programs apply to all contractual documents and arrangements, including the following:
- (i) purchase orders;
  - (ii) contracts;
  - (iii) formal agreements and arrangements (e.g., Interdepartmental Memorandum of Understanding (MOU));
  - (iv) standing offers and supply arrangements;
  - (v) letters of intent;
  - (vi) go-ahead letters and go-ahead messages;
  - (vii) Stores Transfer Orders;
  - (viii) Supply Transfer Orders;
  - (ix) written direction to the Agency of Record (e.g., work authorization);
  - (x) assignments;
  - (xi) consents to subcontract;
  - (xii) termination for convenience notices; and
  - (xiii) amendments to any of the above.
- (e) Conditions and limits set out in [Annex 6.4](#) to [Annex 6.4.3](#) will apply to the approval and signing of all contractual documents and arrangements, including those arrangements that are not subject to the *Government Contracts Regulations* and TB Contracts Directive, unless approval and signing limits are set out within an existing Memorandum of Understanding. Limits must be read in conjunction with the instructions at the beginning of the annex as well as the notes contained in each table. The Deputy Minister's approval is required when the value of transfer agreements between departments (e.g., transfer orders with CORCAN) exceeds the approval limits set out in [Annex 6.4](#) to [Annex 6.4.3](#). TB approval is required when the value of contractual arrangements with provincial or municipal governments, or provincial or federal Crown corporations exceeds the approval limits set out in [Annex 6.4](#) to [Annex 6.4.3](#).
- (f) The Assistant Deputy Minister, Acquisitions Branch, has full approval authority to use a standing offer method of supply or a supply arrangement, in accordance with [Annex 6.4.3](#), column 56. For more information on standing offers, see [3.40](#) and [4.10.20](#); for more information on supply arrangements, see [3.45](#) and [4.10.25](#). The inclusion of a limitation of expenditure in standing offers is optional (see [4.10.20.1](#).) Approval and signing authorities for standing offers which do not contain a limitation of expenditure will be as set out in [Annex 6.4.3](#) using the total estimated procurement value for the entire standing offer period to determine the appropriate approval and signing authority for the standing offer.
- (g) Approval of contracts that include options must be sought in accordance with the total estimated cost including any options for which funds are available or expected to be provided in the future (see [Annex 6.4.6](#), section 6.)
- (h) More than one contractual document must not be issued, under any circumstance, in order to circumvent the necessity of obtaining the proper approval authority.
- (i) For the purposes of contract approval authorities, an Advance Contract Award Notice (ACAN) is classified under the "electronic bidding" category. The electronic bidding approval levels apply whenever an ACAN has been posted and no valid Statement of Capabilities was submitted. See [Annex 6.4.2](#).

## 6.20.1 Delegated Authority to Incumbents

### 6.20.1.1 General Information

(2010-01-11)

All the authorities granted to and exercised by contracting officers in PWGSC are provided subject to the following:

- (a) if a contracting officer's responsibilities do not require the officer to exercise a particular authority (for any type of authority or above a particular dollar level) then that contracting officer does not, in fact, have that authority. Any and all authority granted to an incumbent of a position must be commensurate with, but not greater than, the level required to carry out the responsibilities assigned to the incumbent; and
- (b) it is a requirement that the relationship between responsibilities and authorities for each designated contracting officer be recognized on individual delegation forms. (See PWGSC [Delegation of Authorities Manual](#).)

### **6.20.1.5 Incumbent**

(2010-01-11)

- (a) The contract approval and signing authorities granted by the Minister and Deputy Minister to incumbents of designated positions are as set out in [Annex 6.4.2](#) and [Annex 6.4.3](#). These are maximum limits which may be reduced at the discretion of the appropriate managers.
- (b) A person is normally designated the incumbent of a position following staffing action. Supervisors must inform new incumbents of the levels of contract approval and signing authority to be exercised, by signing an individual delegation form [PWGSC-TPSGC 524](#), Delegation of Common Service Acquisition Authorities – Schedule 3. (**NOTE:** *Only government employees have access to this site.*)
- (c) Contracting officers who have previously exercised contract approval and signing authorities in another position may exercise, upon promotion, the authorities delegated to incumbents at the new level once a new individual delegation form is completed and signed. General information on Delegation of Authority Instruments is available to PWGSC employees on-line at [Delegation of Authorities](#). Further information on the principles of delegation of authority and proper use of the authorities is available at [Delegation Principles](#).
- (d) Directors general must withhold full contract approval and signing authorities from anyone who has had no PWGSC purchasing/contracting experience until competence has been demonstrated at a lower level of authority for at least six months.
- (e) To facilitate audit requirements, the signed original of the individual delegation form must be forwarded to the office of the Director General, Policy, Risk, Integrity and Strategic Management Sector/Acquisition Policy and Process Directorate. Regional offices are requested to send a copy of the signed form. A signed copy should be kept on file in the procurement area or central location.

### **6.20.1.10 Acting Incumbent**

(2010-01-11)

- (a) Designation of an acting incumbent for a position, to which a level of authority has been granted, must be made by an authority level no less than that of the incumbent's supervisor.
- (b) The acting incumbent should normally be given the full contract approval and signing authorities of the position. However, the acting incumbent must not exercise these authorities on a procurement file for which he/she was responsible in his/her normal position.
- (c) If an incumbent is to perform the duties of a position in an acting capacity for an indeterminate period, then the incumbent's supervisor will delegate authorities by signing the individual

delegation form [PWGSC-TPSGC 524](#), indicating the period that these authorities are to be in effect.

- (d) In those situations where an incumbent must perform the duties of a position in an acting capacity for a short period (e.g. vacation replacement), then the incumbent's supervisor will delegate authorities by email, indicating the period that these authorities are to be in effect. An example of an email is as follows:

Objet / Subject: Absence de \_\_\_\_\_ / Absence of \_\_\_\_\_

Par la présente je vous avise que l'employé(e) sous nommé(e) sera absent(e) pendant la période spécifiée. Pour assurer la continuité des opérations, les pouvoirs contractuels seront délégués au(à la) candidat(e) nommé(e) ci-dessous.

This is to advise that the individual named below will be absent for the specified period. To ensure continuity of operations, acting contractual authorities have been delegated to the following appointee.

Personne absente /  
Person Absent: \_\_\_\_\_

Titre du poste comblé /  
Position Title occupied: \_\_\_\_\_

Période / Period: \_\_\_\_\_

Candidat(e) nommé(e) /  
Appointee's name: \_\_\_\_\_

Approuvé par /  
Approved by: \_\_\_\_\_

- (e) The e-mail must be sent to the acting incumbent, with a copy to all contracting officers reporting to that position, and the Senior Purchasing Assistant of the supervisor's immediate superior. In addition, a copy of the e-mail must be placed on the file of any contractual document approved/signed by the incumbent while exercising the acting authority.

## 6.25 Special Approval Considerations

### 6.25.1 Go-Ahead Letters

(2010-01-11)

Go-ahead Letters may be issued after obtaining final approval of the contract submission, provided all appropriate terms and conditions of the proposed contract are known and acceptable to the potential contractor. Go-ahead Letters are subject to the appropriate signing authorities.

### 6.25.5 Forgiveness of Debts

(2010-01-11)

No PWGSC employee, without the appropriate delegated authority, is authorized to forgive debts arising out of contractual actions and which are owed to Canada. For the authority to write-off debts refer to "Debt Write-Off" in the departmental [Delegation of Authorities Instrument](#). (**NOTE: Only government employees have access to the site.**) For more information regarding debt write-off, see [Debt Write-off Regulations, 1994](#).

### **6.25.10 Waive of Interest**

(2010-01-11)

No PWGSC employee is authorized to waive interest owed to Canada without the appropriate delegated authority. For the authority to waive interest charges, refer to “Waive of Interest” in the departmental [Delegation of Authorities Instrument](#). For more information regarding waive of interest, see TB [Interest and Administrative Charges Regulations](#).

### **6.25.15 Per Diem Rates**

(2010-01-11)

Directors general may establish, at their discretion, lower internal authority limits for the approval of non-competitive service contracts containing per diem rates. Where such limits do not exist within a sector/region, contract approval will be in accordance with the delegated authorities in [Annex 6.4.2](#) and [Annex 6.4.3](#).

### **6.25.20 Nil Value Amendment**

(2010-01-11)

Nil value amendments involving a simple administrative change are the responsibility of each procurement sector/region. For nil value amendments where risk or liability will be transferred to Canada, refer to [Annex 6.4.6](#), section 11.

### **6.25.25 Financial Evaluation of Bids/Offers/Arrangements**

(2010-01-11)

- (a) For any competitive procurement requiring contract entry approval of the Assistant Deputy Minister, Minister or Treasury Board, more than one PWGSC employee must be involved in the evaluation of the prices. For more information on financial evaluation of bids/offers/arrangements, see [5.45](#).
- (b) Contracting officers should also consider having more than one PWGSC employee involved in the evaluation of the prices for standing offers and supply arrangements requiring the approval of the Assistant Deputy Minister.

### **6.25.30 CORCAN**

(2010-01-11)

Although arrangements with CORCAN are not governed by the *Government Contracts Regulations* and the Treasury Board Contracts Directive, all existing departmental limits governing the approval of entry into and signing of contracts apply.

### **6.25.35 Stop Work Orders and Notices of Termination**

(2010-01-11)

Stop work orders and notices of termination must be approved and signed by a contracting officer with the signing authority (see [Annex 6.4.2](#) and [Annex 6.4.3](#)) for the total contract value at the time of the termination.

### **6.25.40 Contracts with Task Authorizations**

(2010-01-11)

The minimum approval authority for Task Authorization (TA) contracts is director level. Directors are accountable for ensuring that the contract will be properly managed, including appropriate procedures for

administering the TA process and appropriate control and reporting of expenditures under TA's. For more information on task authorizations procedures, see [3.35.1](#).

**6.25.45 Trade-ins**  
(2010-01-11)

Contracts for which trade-ins have been approved through disposal operations procedures are subject to approval and signing authorities as detailed in [Annex 6.4.2](#) and [Annex 6.4.3](#). (All trade-ins are disposal operations and, as such, are subject to disposal operations procedures.) The trade-in value will not be considered in determining the required level of authority.

**6.25.50 Treasury Board Exceptional Contracting Limits**  
(2010-01-11)

- (a) PWGSC may enter into any form of agreement used by a railway company for permission to construct or maintain a private crossing or a pipe or cable crossing over, across or under the property of the company at a rate or in an amount no greater than those normally charged for each permission.
- (b) PWGSC may enter into any agreement with a railway, telegraph, telephone or power company for permission to attach wire to poles belonging to the company at a rate or in an amount no greater than those normally charged for each permission.
- (c) PWGSC may enter into a good or a service contract, regardless of the amount, if the contract results from a standing offer already approved by TB.
- (d) PWGSC may enter into and amend contracts with the United States Government containing that government's usual terms dealing with indemnity and liability, subject to the limits of the TB Contracts Directive.

**6.25.55 Contracts for Legal Services**  
(2010-01-11)

Contracts for the performance of legal services may be entered into only by or under the authority of the Minister of Justice.

**6.25.60 Standing Offer**  
(2010-01-11)

- (a) When more than one standing offer will be issued, the signing authority level for the standing offers (and, in the case where a formal procurement plan was used, the approval authority level for the Contract Requests) must be determined based on the total estimated value of each standing offer, not the total estimated value of the requirement.
- (b) Authorities for standing offers are included under the exceptional contracting authorities in Table 3 of [Annex 6.4.3](#).

**Annex 6.1: Procurement Plan Instructions**

(2010-01-11)

The Procurement Plan must be prepared as a memorandum from the Director General or Regional Director General to the Assistant Deputy Minister and must include the elements identified below. Examples and forms (*accessible to PWGSC employees only*) can be found on the Acquisitions Branch Web site.

**FORMAL PROCUREMENT PLAN**

**DESCRIPTION**

Give a brief description of the requirement, including any options, advance approvals and set-aside amounts. Indicate the period of the proposed contract and options, where applicable.

**BACKGROUND**

Provide background information and overall context. Address any audit recommendations, Canadian International Trade Tribunal (CITT) determinations, Treasury Board decisions, etc. specific to the requirement.

**ESTIMATED COST AND NAME OF CLIENT**

State the estimated cost, the Goods and Services Tax or Harmonized Sales Tax included, for the requirement. Include any options, set-aside amounts, etc., and state which client department it is chargeable to.

**ANTICIPATED CONTRACT (OR STANDING OFFER OR SUPPLY ARRANGEMENT) APPROVAL AUTHORITY REQUIRED**

Indicate the anticipated contract approval authority. Explain why this would be the approval authority, if not evident.

**SOURCING:**

Identify applicable trade agreements (North American Free Trade Agreement, World Trade Organization Agreement on Government Procurement, Agreement on Internal Trade, and Comprehensive Land Claims Agreements) and any significant policies governing sourcing decisions (Set-aside Program for Aboriginal Business; Canadian Content; Shipbuilding, Repair, Refit and Modernization, Policy on Green Procurement, etc.)

Explain the sourcing strategy, i.e. GETS, other public advertising, source lists (one time, ongoing).

Substantiate any decision to use sole source.

For procurement plans for which Treasury Board (TB) submissions will be required, a substantiation as detailed in [6.5.15\(b\)\(ii\)](#) must be included.

**POLICY ISSUES**

Attach relevant Procurement Review Committee document. Identify any other relevant socio-economic or environmental considerations. For more information on the Industrial and Regional Benefits Program, see [3.70](#).

Outline any special or unusual aspects of the procurement, including the use of a fairness monitor.

Recommend a course of action to resolve or handle any problems involving potential major risks or deviations from sourcing policy or other PWGSC policy. Where there are major risks inherent in the proposed approach, they must be examined in consultation with PWGSC financial authorities and Legal Services.

**EVALUATION AND CONTRACTOR SELECTION METHODOLOGY**

Identify the evaluation criteria and the selection method to be used with any bid solicitation, including pricing basis, point rating or mandatory/desirable criteria for the technical evaluation.

**ANTICIPATED BASIS OF PAYMENT**

Provide an indication of the anticipated basis of payment to be used in the contract, (e.g., firm price, fixed time rates, ceiling price, limitation of expenditure, etc.)

Use this section to substantiate the use of advance payments, and to indicate when financial security (e.g., surety bond, irrevocable standby letter of credit) will be required from the supplier/contractor. Address contract audit provisions.

**MILESTONES**

Give target dates for important milestones (for example, bid solicitation, contract award, delivery schedule) in the form of “early” May or “mid” August or “late” October, rather than specific dates.

**ADDITIONAL COMMENTS**

Include any information that should be brought to the approval authority's attention, e.g., limitation of contractor's liability, fairness monitor, industrial security requirements, intellectual property, business line consultations, green procurement.

**CONTRACTING OFFICER**

State the name, sector/region, division and telephone number of the authority responsible for the project.

**Recommended by:**

\_\_\_\_\_  
DG or RDG  
Sector or Region

\_\_\_\_\_  
Date

**Approved by:**

\_\_\_\_\_  
Assistant Deputy Minister  
Acquisitions Branch

\_\_\_\_\_  
Date

**ADM's COMMENTS:**

Leave two or three lines for comments by the approval authority.

**Add the Sole Source Questions and Answers as Annex A**

**Annex 6.2: Contract Request Instructions**  
(2010-01-11)

**Contract Request**

**1. General**

- (a) For requirements requesting the Assistant Deputy Minister (ADM), Deputy Minister (DM) or Minister approval authority and for contracts not pre-approved through the Contract Planning and Advance Approval (CPAA) process, a Contract Request for authority to enter into a contract must be prepared. Approval must be obtained before accepting any offer from a supplier or requesting a potential contractor to carry out specific work.
- (b) The Contract Request must give an accurate description of the terms and conditions requiring approval, which must reflect and be supported by data contained in the applicable files. Each Contract Request must identify and explain any proposed deviations from applicable policies and procedures.
- (c) Details of the proposed contract must be recorded clearly and briefly on the Contract Request. The signed Contract Request must be submitted for review to at the Contract Quality Control (CQC) Division within the Acquisition Program Integrity Secretariat (APIS).
- (d) The Contract Request must be supported by a copy of the proposed contract and the applicable files. After any CQC officer's concerns are addressed, the Contract Request will be submitted for approval.
- (e) Regardless of value, all recommendations involving deviations from government contracting policies must also be submitted to CQC for pre-award review.
- (f) The sector's legal counsel will review all contract requests at or above Senior Director/Regional Director and provide a legal risk assessment. (See [6.10.5](#).)
- (g) The cost analysis review will be required in accordance with [6.10.10](#).
- (h) After considering the advice of CQC, Legal Services and the cost analyst, the Director General (DG) will recommend the Contract Request to the ADM, Acquisitions Branch, for approval.
- (i) On receipt of the Contract Request, the approval authority will review it and grant full approval to proceed or identify concerns and direct changes to the request or request additional steps before award.

**2. Responsibility of the Contracting Officer**

- (a) The contracting officer must see to the preparation, recommendation and completion of the Contract Request on forms [PWGSC-TPSGC 1151-1](#) and [PWGSC-TPSGC 1151-2](#) (**NOTE: Only government employees have access to this site.**) in accordance with the following preparation instructions:
  - (i) certify that the information provided in the Contract Request is an accurate representation of information on file;
  - (ii) submit the Contract Request to the appropriate approval authority and ensure that:
    - (A) the submission is forwarded and recommended by all line management officers between the contracting officer and the approval authority;

- (B) sector or region resources such as legal counsel, contract quality control, cost analysts, and commodity teams review the submission, as required;
- (iii) obtain policy interpretations from the Acquisition Policy and Process Directorate and opinions from departmental specialists (e.g., Legal Services) on the consequences of any proposed deviations from general conditions, policies and regulations;
- (iv) obtain the client department's agreement for any deviations from specifications, standards and delivery requirements; and
- (v) highlight, in the recommendation, the facts surrounding any proposed deviations and their negative consequences to Canada.

### 3. Preparation of the Contract Request

- (a) Contracting officers must prepare the Contract Request as outlined below.
- (b) Contract Request form [PWGSC-TPSGC 1151-1](#) is used for contracts requiring approval from the Assistant Deputy Minister, Deputy Minister or Minister. Information can be presented in either French or English.

### Part 1 Submission Data - Contract Request - form PWGSC-TPSGC 1151-1

- (a) The key elements of a Contract Request include the following:
  - (i) the requirement and its end use;
  - (ii) the supplier and the selection criteria;
  - (iii) the cost, basis of payment and cash flow.
- (b) The preparation should focus on these general key elements. The following sections provide additional considerations for the contracting officer's attention, when applicable.

#### 1. Priority Attention

If priority consideration is requested because of delivery requirements or for any reason, including expiry of price validity, state the consequences of not meeting the expiry date.

#### 2. Subject

State whether this is a request for authority to enter into contract or authority to utilize a standing offer method of supply or supply arrangement.

#### 3. Proposal

- (a) State action proposed (e.g., to contract with; to authorize the use of a standing offer or the use of a Master (Regional) standing offer). Identify the contractor by correct legal name and give its location (e.g., city, town or village; province; country if other than Canada). Briefly describe the goods or services being supplied and their end use; part numbers and specification numbers should be referred to in Part 2 of form [PWGSC-TPSGC 1151-2](#) only. State the delivery point (e.g., city, town, etc.). If there are numerous delivery points, state 'Delivery to various destinations' but do not list them in this section. Refer to an appendix.
- (b) Specify any proposed deviations from Cabinet or TB contracting policies.

- (c) When certain terms or certain deviations from departmental policies are being recommended in the Contract Request, creating a financial obligation for Canada, request authority for the monetary obligation in this section and, in the Remarks section, explain why it is recommended that Canada be responsible in this case.
- (d) If any advance payments are being proposed, specify in this section and describe in the Basis of Payment section.
- (e) If there is an option to be exercised by Canada by a specific date, and the method of pricing is known or pricing formula agreed upon and the funds for the option are available in the requisition (or expected to be provided in the future), request approval to exercise the option in this section. Provide the method of pricing for the option or pricing formula, and the final date for exercise of the option in the Basis of Payment section.
- (f) Indicate in a separate paragraph when approval is being requested for an additional estimated amount so that provision may be made for unscheduled work such as work arisings, design changes or escalation.
- (g) In the case of a proposed contract for a specified term or period only, or of a proposed standing offer, state whether the expiry date is for ordering or delivery.

#### **4. Cost**

- (a) Show the total estimated cost to Canada to complete the proposed contract, Goods and Services Tax/Harmonized Sales Tax (GST/HST) included. When the price to be paid is in a foreign currency, the estimated Canadian equivalent, based on the conversion rate currently in effect, should follow in brackets. Identify the funding source (vote and requisition number) and name the certifying department or agency. For standing offers which are not funded, state that the amount is chargeable to the client.
- (b) The total estimated cost, as mentioned in the first line of the preceding paragraph, refers to the total amount payable to the contractor, GST/HST included, under the contract, including payment for all goods or services, plus any options for which funds are available (or expected to be provided in the future) and any additional estimated amount for foreseeable subsequent amendments covering unscheduled work, etc., for which approval is being sought.
- (c) Include a schedule of cash flow, providing a distribution by fiscal year of the funds expected to be disbursed during the course of the contract.

#### **5. Basis of Payment**

- (a) Summarize all factors which have a bearing on the proposed purchase, such as (details of major elements of cost should be provided in an appendix):
  - (i) price to be paid;
  - (ii) method of pricing;
    - (A) firm lot price;
    - (B) firm unit price;
    - (C) target price, ceiling price and incentive fee formula;
    - (D) target price and incentive fee formula without ceiling price;

- (E) fixed time rate; or
  - (F) price-to-be-negotiated (PTBN) - include a formula for determination of firm basis of payment, or provide an explanation as to why inclusion of a formula is not possible, and why PTBN is not a ceiling price, if this is the case.
- (iii) audit or verification provisions;
  - (iv) customs duty;
  - (v) Goods and Services Tax:
    - (A) included,
    - (B) extra,
    - (C) exempt or zero-rated (indicate reason for exemption), or
    - (D) not applicable;
  - (vi) other taxes;
  - (vii) delivery terms, for example:
    - (A) FOB (free on board) destination,
    - (B) FAS (free alongside ship),
    - (C) FAF (free alongside flight),
    - (D) FOB common carrier, contractor's plant,
    - (E) CIF (cost, insurance and freight);
  - (viii) exchange rate fluctuation provisions, if applicable. Identify the amount of foreign currency which is subject to the fluctuation and any special conditions;
  - (ix) any escalation provisions except those provided for in the general conditions forming part of the contract (e.g., sales tax, excise tax, customs duties);
  - (x) option – method of pricing or pricing formula plus final date for exercise of option.
- (b) Describe any advance payment requirements.
  - (c) Provide the proposed basis of payment for any unscheduled work (introduced in the "Proposal" section and included in the "Cost" section as an estimated amount).
  - (d) If a large number of items and/or destinations are involved, insert the following statement under Basis of Payment:

"Unit (and/or Lot) prices totalling \$ \_\_\_\_\_, sales tax \_\_\_\_\_, FOB \_\_\_\_\_, as detailed in the attached annex or in an annex attached to the proposed contract."

**6. Remarks**

Ensure that source and price are adequately justified, by using the following criteria:

- (a) Indicate how many suppliers were requested to bid and the method of soliciting bids. If a competitive process was followed, state the number of bids received and the relative standing of the recommended bidder with regard to price, e.g., the lowest being recommended. When a non-competitive (sole source) procurement strategy is chosen, the legal authority to use an exception to a competitive bidding process must be stated. (See [3.10](#) and [3.15](#).)
- (b) If other than the lowest-responsive bid is recommended, explain clearly why any lower bid is not acceptable.
- (c) If a bid is considered non-responsive because it does not meet the mandatory requirements of the solicitation, but is lower in price than the lowest-responsive bid, concisely describe the major deficiencies.
- (d) If two bids have an identical price and one of the two is recommended for acceptance, detail the governing selection criteria.
- (e) If selection is not made by competitive bid, provide sufficient support for the choice made. In the absence of competition, quote the price certification obtained and explain why the price is considered to be reasonable and justifiable. Include a brief summary of Part 2, Section F2, Previous Price, of form [PWGSC-TPSGC 1151-2](#). (**NOTE:** *Only government employees have access to the site.*)
- (f) If deviations from Cabinet or TB contracting policies are recommended, quote opinions given by the functional branches, specifying any financial or other consequences, and give reasons for such recommendations. Whenever possible, express Canada's proposed obligations in monetary terms.
- (g) If deviations from the provisions of the North American Free Trade Agreement, World Trade Organization Agreement on Government Procurement, or the Agreement on Internal Trade are recommended, provide reasons for the deviation.
- (h) If approval is being requested for any estimated amount for unscheduled work arisings, design changes or escalation, as introduced in the "Proposal" section, estimated in the "Cost" section and substantiated in the "Basis of Payment" section, provide support in this section.
- (i) Describe any options in this section and include the criteria that will be used for determining whether the option should be exercised.
- (j) If the proposed contract is of a value in excess of \$2 million for goods and services or of any value with a socio-economic impact judged to be significant, include a section dealing with the socio-economic considerations, including any funding implications. Attach the recommendations of the dedicated management committee or of the Procurement Review Committee.
- (k) If advance payments are recommended, explain why and state the benefits to Canada.
- (l) Include a statement on the amount of Canadian content and the creation/maintenance of jobs in Canada and their location.
- (m) Describe briefly the profit calculations.
- (n) State the dates for commencement and completion of deliveries included in the bid being recommended for acceptance. Do not include all of the delivery details.

- (o) Whenever possible, give the TB number which grants the client program approval.

## 7. Expiry Date

State the expiry date of the bid.

**NOTE:** If genuine urgency exists, the reason should be stated in Part 1, “Priority Attention” section.

## Part 2 Supporting Data - Contract Request - form PWGSC-TPSGC 1151-2

In particular, note the information in sections A to F below.

When a non-competitive (sole source) procurement strategy is chosen based on exception 6.(d) of the [Government Contracts Regulations](#), the responses to the questions found in [Annex 3.1](#) must be attached to this Part 2.

### Section A - Details of Contract Demand or Requisition

- (a) If all of the goods or services requisitioned by the client are not in the proposed contract for which approval is being sought and Part 1 of form [PWGSC-TPSGC 1151-1](#) (**NOTE: Only federal government employees have access to the site**) did not make this clear, briefly summarize, for the understanding of the approval authority, the total number of items on the requisition and the number included in the proposed contract. If there is not enough space because of the size of the summary explanation, refer to the appendix or document on file which provides the details.
- (b) If the goods and/or services requisitioned are the same as those being recommended for acceptance from the proposed supplier, describe them in this section or refer to the work specifications.

### Section B - Special Terms not Included in Part 1

- (a) Detail any special terms which will have an effect on the proposed contract which are not included in Part 1 of form [PWGSC-TPSGC 1151-1](#), such as financial security, royalty payments, etc. Address conformance with the following policies (some sectors/regions may prefer to address these policies in Section F, either location is acceptable):
- (i) International Sanctions,
  - (ii) Federal Contractors Program (quote the certificate of commitment number), and
  - (iii) Conflict of Interest.
- (b) It is not necessary to refer to normal escalation provisions contained in the general conditions.

### Section C – Delivery

State the delivery requirements specified by the client and promised by the supplier and the acceptability of delivery if not in accordance with the delivery specified.

### Section D - Type of Contract Document

State the type of contract document, e.g., "Your Tender is Accepted"; "You are Requested"; "Standing Offer"; "Your Proposal is Accepted"; "Formal Agreement".

### Section E - Bids Received

State if there was a public opening of bids.

## Section F - Basis of Recommendation

### F1 - Price support for negotiated cases

In the absence of competition, detail the price support which has been obtained, if this was not provided in Part 1 of form [PWGSC-TPSGC 1151-1](#). State reasons why the various price elements are considered to be reasonable and justifiable. Substantiate the profit or mark-up factor being recommended.

### F2 - Previous Price

Provide details of previous prices for negotiated contracts when available, including the percentage of increase or decrease, and an explanation for any substantial increases. Provide this information also for competitive contracts unless the number of low dollar value items makes the comparison too complex to serve a useful purpose.

### F3 - Discrepancies, if any, between bid solicitation and bid recommended

Provide details and reconcile amounts, when discrepancies occur between bid solicitation and bid recommended.

### F4 - Support for deviations from departmental policy, changes or deletions in general conditions and supplemental general conditions

Support deviations from departmental policy in this section.

### F5 - Acceptability of goods and/or services if not in accord with specifications

Support acceptability of supplies if not to specifications.

### F6 - Method of Payment

- (a) Detail the method of payment. If progress payments are being proposed, fully describe them, including any holdbacks.

**Note:** If there are numerous items, and items and unit prices are not detailed in Part 1 of form [PWGSC-TPSGC 1151-1](#), or in an appendix to Part 1, make reference in Section F to the specific document on the file which details the information.

- (b) Other data, if applicable, should be stated under Section F, such as:
- (i) Add list of suppliers who were invited to bid and their ownership.
  - (ii) Attach financial officer's opinion on supplier's financial status.
  - (iii) Attach legal counsel's opinions on the legal nature of the case and on the contract submission, including its consistency with the contract.
  - (iv) If not previously mentioned in Section B, address the contractor's compliance with:
    - (A) international sanctions;
    - (B) Federal Contractors Program (quote the certificate of commitment number); and
    - (C) conflict of interest provisions.

**Annex 6.3: Preparation of Contract Amendment Approval Documents**  
(2010-01-11)

1. Preparation of the Contract Amendment Request form:
  - (a) The Contract Amendment Request, available in the Automated Buyers Environment (ABE), may be used for Director General and Regional Director General approval and below.
  - (b) Contracting officers should include the following information, as applicable:
    - (i) Description/Proposal: Briefly describe the goods or services as provided in the original CPAA and state the purpose of the proposed amendment.
    - (ii) Amendment Increase/Decrease: Show total cost of the proposed amendment in Canadian dollars or foreign currency, as applicable. If using foreign currency, give the equivalent in Canadian currency.
    - (iii) Provide the name of the client involved.
    - (iv) Approval Summary: Provide a table addressing the approval documents, the document value, the approval value of each approval documents, and the approval level.
    - (v) Proposed Basis of Payment: If any alteration in the Basis of Payment is proposed, provide justification and support.
    - (vi) Remarks: Provide the following information, as a minimum:
      - (A) Give additional important information required for a proper assessment of the proposed amendment. For example, if the proposed amendment is for a substantial increase, state why this additional requirement did not form part of the original requirement.
      - (B) Provide a justification for the amendment.
  - (c) Preparation of Contract Amendment Request:

Form [PWGSC-TPSGC 1151-4](#), Contract Amendment Request, (**NOTE:** *Only government employees have access to the site.*) can be presented for Assistant Deputy Minister, Deputy Minister and Minister's approval in either French or English.

**Part 1 - Submission Data**

**Contract Amendment Request - form PWGSC-TPSGC 1151-1**

- (a) The key elements that should be included in a Contract Amendment Request are:
  - (i) the purpose of the amendment; and
  - (ii) the amendment cost.
- (b) The preparation of Part 1 should focus on these general key elements. The following sections provide additional considerations for the contracting officer's attention, when applicable.

**Subject**

(a) **Authority to Amend Contract**

Form [PWGSC-TPSGC 1151-1](#), can be used to obtain approval to utilize a standing offer that has been revised by the bidder.

(b) **Proposal**

(i) State the purpose of the proposed amendment and briefly describe the goods and/or services, as provided in the original contract request (for example, to amend the contract with ABC for the supply of 20 additional widgets). Include, in the case of goods or services being added, the prices, sales tax position, delivery points, etc.

(ii) Identify any differences between funds previously authorized and contract commitments.

(iii) If a large number of items are involved, state:

"Unit (and/or Lot) prices totalling \$ \_\_\_\_\_, sales tax \_\_\_\_\_, FOB \_\_\_\_\_, as detailed in the attached appendix or in an appendix attached to the proposed amendment."

(iv) If the proposed amendment involves any deviations from Cabinet or TB contracting policies, not included in the original approval, describe the deviations fully.

(c) **Additional Costs (or Reduction in Cost)**

(i) Show total cost of the proposed amendment in Canadian dollars or foreign currency, as applicable. If using foreign currency, give the equivalent in Canadian currency.

(ii) Show the proposed amended estimated cost of the contract. If the previously authorized total contains an amount for specific future work or foreseen yet unscheduled work (such as design changes or work arisings), always include this amount in the total estimated cost. If not, authority for the amount set aside is lost.

(iii) Also, provide the name of the client involved, cash flow, etc., as explained under the "Cost" section of the contract request in [Annex 6.2](#).

(iv) Provide a brief description of previous amendments and their cost.

(d) **Remarks**

(i) Give additional important information required for a proper assessment of the proposed amendment. For example, if the proposed amendment is for a substantial increase, state why this additional requirement did not form part of the original requirement. Refer to the Remarks section of the contract request in [Annex 6.2](#) for a guide to the information, which should be provided, if applicable.

(ii) When a Contract Amendment Request requires a higher approval level than originally authorized in the contract, detail the basis for the selection of the contractor and the Basis of Payment. It is not necessary to repeat in Part 1, the present Basis of Payment if it was previously approved at a higher level or by the contracting authority being approached now for approval of this amendment.

(iii) If any alteration in the Basis of Payment is proposed, provide justification and support.

(iv) If a difference exists between funds authorized and contractual commitments, explain why.

- (v) If items are being added, or when establishing a firm Basis of Payment for a contract, previously issued on a price-to-be-negotiated basis, provide price support.

(e) **Authority**

Show the original authority for entry into the contract and the authority for each approved amendment. When Treasury Board (TB) authority has been obtained, give the TB number and date and when the Minister's approval has been obtained and state "ministerial authority." In all other cases, state "departmental authority." Do not show amounts in Part 1.

**Part 2 - Supporting Data**

**Contract Amendment Request - form PWGSC-TPSGC 1151-4**

In completing this form, pay particular attention to providing all supporting information. In particular, note the following:

**Section A - Physical Progress to Date**

In this section, summarize the progress of the contract, such as quantities already delivered and the percentage completed; work in progress or completed; advance or progress payments made or any other preliminary expenses; and other matters of a similar nature.

**Section B - Authorities for and Status of Contract, plus Amount of Proposed Amendment**

Give specific authorities and authorized amounts under the "Authority and Amount" column for the contract and each amendment (that is, TB, Minister, Deputy Minister, Director General, Director, etc.). Any differences between authorities (approvals) and commitments should be reconciled in Section B. Also, if the amount of the proposed amendment exceeds the funds available, it should be noted in this section.

**Section C - Basis and Method of Payment as Last Amended**

Describe briefly the Basis of Payment and Method of Payment as Last Amended, including sales tax position, delivery terms [for example, FOB], advance and progress payments), unless it is proposed to amend the Basis of Payment or Method of Payment. In this case, give a detailed description of the present Basis of Payment and Method of Payment for any portion of the work for which a new Basis of Payment or Method of Payment is being recommended.

**Section D - Basis of Recommendation**

- (a) Support price and changes in terms or method of payment.
- (b) Detail all price support for any items being added or when establishing a firm Basis of Payment for a contract, previously issued on a price-to-be-negotiated basis.
- (c) Explain any discrepancies between: (a) the amount approved for the contract and amendments (if any), and (b) the total committed.

**Note:** If numerous items and unit prices have not been detailed in Part 1 of form PWGSC-TPSGC 1151-1, or in an annex to Part 1, make reference in Section D to the specific document of the file that details the information.

**4. Preparation of Treasury Board Amendment Submission**

## Annex 6.3 – Preparation of Contract Amendment Approval Documents

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Treasury Board approval is required for any contract amendment exceeding the limits outlined in [Annex 6.4.2](#) and [Annex 6.4.3](#) and subject to the exceptions detailed in [Annex 6.4.1](#).

**Annex 6.4: Conditions Imposed on the Approval Authority Limits for PWGSC Personnel**

(2010-01-11)

The approval authority limits for Public Works and Government Services Canada (PWGSC) personnel are subject to the following conditions:

- (a) that contracting authorities ensure that, for contracts and contract amendments requiring their approval, the conditions of the contract are consistent with the representations made to them as to the substantive nature of the transaction;
- (b) that the Assistant Deputy Minister/Directors General/Regional Directors General/Senior Directors/Regional Directors ensure that, for contracts and contract amendments requiring their approval, the contract quality control officers in place have been duly consulted and have had an opportunity to review the contractual documents and the substance of the business case (see [6.10.1](#));
- (c) that the Assistant Deputy Minister/Directors General/Regional Directors General/Senior Directors/Regional Directors ensure that, for contracts and contract amendments requiring their approval, the cost analyst and legal officer assigned to the sector/region have been given the opportunity to review the contractual documents and provide comments. See [6.10.5](#) and [6.10.10](#);
- (d) that legal review of a solicitation be obtained when the total value of the requirement:
  - (i) falls within the delegation of authority for Senior Director/Regional Director and above; or
  - (ii) is valued in excess of \$50,000,000, whichever is the lowest.
- (e) Legal Services must also be consulted when the contracting officer is considering a deviation from *Standard Acquisition Clauses and Conditions* Manual clauses or the departmental standard procurement templates. The contracting officer should also seek advice from Legal Services on sensitive requirements. For other situations requiring consultation with Legal Services, see [3.110](#).

**NOTE:** The Minister's approval authority is required for specific submissions described in [Annex 6.4.1](#)

## Annex 6.4.1 – Approval Authorities and Additional Signing Authorities in Support of Clients’ Programs Only - Other than for Canadian Commercial Corporation

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### Annex 6.4.1: Approval Authorities and Additional Signing Authorities in Support of Clients’ Programs Only - Other than for Canadian Commercial Corporation (2010-01-11)

This annex describes the internal approval and signing authorities and exceptions to the internal approval authorities. It also addresses additional signing authorities such as for progress payments, certifications, etc.

#### 1. Approval Authorities

- (a) Internal approval and signing authorities are in accordance with [Annex 6.4.2](#) and [Annex 6.4.3](#).
- (b) Treasury Board (TB) approval is required for submissions exceeding the authority found in [Annex 6.4.2](#) and [Annex 6.4.3](#).
- (c) Exceptions to [Annex 6.4.2](#) and [Annex 6.4.3](#) are described in 1.1 below.

#### 1.1 Exceptions to Internal Approval Authorities

##### 1.1.1 Former Public Servants

- (a) Contracting limits in [Annex 6.4.2](#) and [Annex 6.4.3](#) apply to submissions granting approval to enter into a contract including amendments for the services of former public servants in receipt of a pension when the contract value, including amendments, does not exceed \$100,000 (competitive) or \$25,000 (non-competitive).
- (b) TB approval is required for submissions granting approval to enter into a contract including amendments for the services of former public servants in receipt of a pension when the contract value, including amendments, exceeds \$100,000 (competitive) or \$25,000 (non-competitive).

**NOTE:** For more information on the definition of former public servants and pension, see [3.90\(b\)](#).

- (c) The fee component in any non-competitive contract must be abated if the individual has been retired for less than one year and is in receipt of a pension. See [3.90\(e\)](#).
- (d) TB approval is required for submissions granting approval to enter into or amend a contract with former public servants in receipt of a lump sum payment pursuant to the terms of a work force reduction program where the fee component will exceed \$5,000 of either the individual contract or a combination of contracts, during the period covered by the lump sum payment. See [3.90\(e\)](#).

##### 1.1.2 Confirming Orders

Submissions granting approval to issue a confirming order must be approved at the Director level or higher based on 50 percent of the non-competitive contract approval authority limits in [Annex 6.4.2](#) and [Annex 6.4.3](#). The 50 percent reduction and the limitation to non-competitive contract approval authority limits apply to all positions below Assistant Deputy Minister. (See [2.75](#).)

##### 1.1.3 Royalty Payments

- (a) When royalty payments exceed five percent, Deputy Minister approval is required before entering into a contract.
- (b) If there is an increase in the amount of the royalty to be paid or if further items become subject to royalty payments during the life of a contract, the same guidelines for approval apply.

**Annex 6.4.1 – Approval Authorities and Additional Signing Authorities in Support of Clients’ Programs Only - Other than for Canadian Commercial Corporation**

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- (c) To obtain the approval of the Assistant Deputy Minister for royalties exceeding five percent, the following information is to be provided on Part 2 of the contract request:
  - (i) details of the royalties;
  - (ii) a forecast of anticipated future purchases beyond the requirement in the present submission;
  - (iii) the comments of Legal Services.

**1.1.4 National Security Exception**

- (a) The Assistant Deputy Minister, Acquisitions Branch (ADM/AB) must have approved the National Security Exception (NSE) pursuant to a letter from the client ADM requesting the NSE before the document approval process takes place.
- (b) Following NSE approval by the ADM/AB, the normal document approval process and authority apply.
- (c) For complete details of the NSE process, see [3.105](#).

**2. Additional Signing Authorities**

**2.1** Signing authorities for purchase orders, contracts, standing offers, supply arrangements, formal agreements and arrangements, stores and supply transfer orders, written direction to the Agency of Record, assignments, go-ahead letters and messages, letters of intent, consents to subcontract, termination for convenience notices, and amendments to any of the above, are as follows:

- (a) in accordance with [Annex 6.4.2](#) and [Annex 6.4.3](#) for goods, services, construction, non-regulated telecommunication, and architecture and engineering services;
- (b) and if under departmental seal, together with the Corporate Secretary.

**2.2. Advance, Milestone and Progress Payments**

The authority for certification of advance, milestone and progress payment claims (form [PWGSC-TPSGC 1111](#), Claim for Progress Payment), as a prerequisite for client certification pursuant to section 34 of the *Financial Administration Act* is as follows:

- (a) For incumbents of positions listed in [Annex 6.4.2](#), with the exception of Intern Officers/Trainees, Senior Purchasing Assistants and Procurement Assistants, unlimited certification authority applies;
- (b) For Science Procurement Senior Purchasing Assistants:
  - (i) for contracts beyond their approval authority: certification authority for claims up to \$40,000, with the exception of a final claim or of a release of a holdback;
  - (ii) for contracts within approval authority: certification for all claims.

**2.3 Settlement and Release Documents**

- (a) The authority to sign release and settlement documents (form [PWGSC-TPSGC 9223-2](#), Settlement and Release) for terminations on behalf of the Minister is delegated as follows:
  - (i) Arising from termination for convenience:

**Annex 6.4.1 – Approval Authorities and Additional Signing Authorities in Support of Clients’ Programs Only - Other than for Canadian Commercial Corporation**

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- (A) Director General, Policy, Risk, Integrity and Strategic Management Sector, Acquisitions Branch (PRISM/AB)
  - (B) Director, Acquisition Program Integrity Secretariat, PRISM/AB
  - (C) Chairman, Contracts Settlement Board
- (ii) Other than for termination of convenience, authority is one of the following in the order listed:
- (A) Chief Risk Officer
  - (B) Chairman, Contracts Settlement Board.
- (b) For assistance, contracting officers may consult the Specialized Support Services for Procurement Division, at 819-934-1382.

**2.4 Industrial Security**

The Director, Canadian Industrial Security Directorate, has the authority to provide instructions to contractors concerning industrial security requirements.

**2.5 Certificates under departmental seal**

The Assistant Deputy Minister, Corporate Services, Policy and Communications Branch, has the authority for certifying that documents under departmental seal are true copies.

**Annex 6.4.2: Basic Contracting Limits**  
(2010-01-11)

**Instructions**

- (a) The limits shown in the following tables are expressed in terms of thousands (K) or millions (M) of dollars or, where dollars are not appropriate, in terms of policy or regulatory constraints.
- (b) The relevant limits for individual officers, which may be lower than the maximums delegated to the levels above, are contingent upon Acquisitions Branch policies and procedures. Contracting officers must ensure that any authorities they exercise are in accordance with their approved delegation form.
- (c) For the purposes of contract approval authorities, an Advance Contract Award Notice (ACAN) is classified under the “electronic bidding” category. The electronic bidding approval levels apply whenever an ACAN has been posted and no valid Statement of Capabilities was submitted.
- (d) In addition to dollar references in the tables, some limits are shown as "Full". This means that officers in specified organizational positions have full authority for contracting subject to the lesser of Treasury Board/Public Works and Government Services Canada restriction or the availability of funds in the client budget. Unless specified otherwise, the authorities delegated in these tables apply only in the area of responsibility of the contracting officers exercising the authorities. This is directly related to the function contracting officers perform in their positions and the associated responsibilities of that function.
- (e) Position titles shown in the tables are examples only. For more information on the Table of Equivalent Positions, see [Annex 6.4.5](#).

**Ratifications:** Authorities for approving agreements which involve: pre-contractual work, ratification of contractual commitments, confirming orders, or contracts/amendments which include pre-contractual work clauses, or any other retroactive elements are limited to 50 percent of the non-competitive dollar thresholds specified above. The minimum approval authority is the Director level. The 50 percent reduction and the limitation to non-competitive contract approval authority limits apply to all positions below assistant deputy minister level.

**GOODS - Contract Approval and Signing Authority Limits**

Level	Position	Electronic			Competitive			Non-competitive		
		Approval		Signing	Approval		Signing	Approval		Signing
		Contract Entry	Aggreg. Amend.		Contract Entry	Aggreg. Amend.		Contract Entry	Aggreg. Amend.	
	Minister	\$40M	\$20M	Full	\$10M	\$5M	Full	\$2M	\$1M	Full
1	ADM	\$40M	\$20M	Full	\$10M	\$5M	Full	\$2M	\$1M	Full
	DG, RDG	\$30M	\$1.5M	Full	\$7.5M	\$1.5M	Full	\$1.5M	\$750K	Full
	Sr Director, Regional Director	\$20M	\$1M	Full	\$5M	\$1M	Full	\$1M	\$750K	Full
2	Director	\$10M	\$500K	Full	\$2.5M	\$500K	Full	\$500K	\$500K	Full
	Manager	\$5M	\$200K	Full	\$1M	\$200K	Full	\$400K	\$200K	Full
3	Supply Team Leader	\$1M	\$100K	C:\$10M A:\$500K	\$400K	\$100K	C:\$2.5M A:\$500K	\$150K	\$100K	C:\$500K A:\$500K
	Supply Specialist	\$300K	\$50K	C:\$5M A:\$200K	\$300K	\$50K	C:\$1M A:\$200K	\$100K	\$50K	C:\$400K A:\$200K
4	Supply Officer	\$100K	\$15K	C:\$1M A:\$100K	\$100K	\$15K	C:\$400K A:\$100K	\$30K	\$15K	C:\$150K A:\$100K
	Intern Officer/ Trainee	\$70K	\$10K	C:\$300K A:\$50K	\$70K	\$10K	C:\$300K A:\$50K	\$20K	\$10K	C:\$100K A:\$50K
	Sr. Purchasing Assistant	\$40K	\$5K	C:\$100K A:\$15K	\$40K	\$5K	C:\$100K A:\$15K	\$10K	\$5K	C:\$30K A:\$15K
	Proc. Assistant	\$10K	\$2K	C:\$70K A:\$10K	\$10K	\$2K	C:\$70K A:\$10K	\$4K	\$2K	C:\$20K A:\$10K

**Legend:** C = Contract Signing Authority  
A = Aggregate Contract Amendment Signing Authority

**Remarks:** When using this table, contracting authorities must refer to the Instructions found at the beginning of this annex.

**SERVICES - Contract Approval and Signing Authority Limits**  
(excluding construction, non-regulated telecommunication, and A&E services)

Level	Position	Electronic			Competitive			Non-competitive		
		Approval		Signing	Approval		Signing	Approval		Signing
		Contract Entry	Aggreg. Amend		Contract Entry	Aggreg. Amend		Contract Entry	Aggreg. Amend	
	Minister	\$20M	\$10M	Full	\$10M	\$5M	Full	\$3M	\$1.5M	Full
1	ADM	\$20M	\$10M	Full	\$10M	\$5M	Full	\$3M	\$1.5M	Full
	DG, RDG	\$15M	\$1.5M	Full	\$7.5M	\$1.5M	Full	\$2.25M	\$1.125M	Full
	Sr. Director, Regional Director	\$10M	\$1M	Full	\$5M	\$1M	Full	\$1.5M	\$750K	Full
2	Director	\$5M	\$400K	Full	\$2.5M	\$400K	Full	\$400K	\$400K	Full
	Manager	\$2.5M	\$200K	Full	\$1M	\$200k	Full	\$300K	\$200K	Full
3	Supply Team Leader	\$1M	\$100K	C:\$5M A:\$400K	\$400K	\$100K	C:\$2.5M A:\$400K	\$200K	\$100K	C:\$400K A:\$400K
	Supply Specialist	\$300K	\$50K	C:\$2.5M A:\$200K	\$300K	\$50K	C:\$1M A:\$200K	\$100K	\$50K	C:\$300K A:\$200K
4	Supply Officer	\$100K	\$15K	C:\$1M A:\$100K	\$100K	\$15K	C:\$400K A:\$100K	\$30K	\$15K	C:\$200K A:\$100K
	Inter Officer/Trainee	\$70K	\$10K	C:\$300K A:\$50K	\$70K	\$10K	C:\$300K A:\$50K	\$20K	\$10K	C:100K A:\$50K
	Sr. Purchasing Assistant	\$40K	\$5K	C:\$100K A:15K	\$40K	\$5K	C:\$100K A:15K	\$10K	\$5K	C:30K A:\$15K
	Proc. Assistant	\$10K	\$2K	C:\$70K A:\$10K	\$10K	\$2K	C:\$70K A:\$10K	\$4K	\$2K	C:\$20K A:\$10K

**Legend:** C = Contract Signing Authority  
A = Aggregate Contract Amendment Signing Authority

**Remarks:** When using this table, contracting authorities must refer to the Instructions found at the beginning of this annex.

**CONSTRUCTION - Contract Approval and Signing Authority Limits**  
(unless otherwise approved by Treasury Board, these limits are effective from April 1, 2009 to March 31, 2011)

Level	Position	Electronic			Competitive			Non-competitive		
		Approval		Signing	Approval		Signing	Approval		Signing
		Contract Entry	Aggreg. Amend.		Contract Entry	Aggreg. Amend.		Contract Entry	Aggreg. Amend.	
	Minister	\$40 M	\$20 M	Full	\$20 M	\$10 M	Full	\$1M	\$1M	Full
1	ADM	\$40 M	\$20 M	Full	\$20 M	\$10 M	Full	\$1M	\$1M	Full
	DG, RDG	\$30 M	\$3 M	Full	\$15 M	\$1.5 M	Full	\$750 K	\$750 K	Full
	Sr Director, Regional Director	\$20 M	\$2M	Full	\$10 M	\$1M	Full	\$500 K	\$500 K	Full
2	Director	\$10 M	\$1M	Full	\$5 M	\$500 K	Full	\$250 K	\$125K	Full
	Manager	\$5 M	\$500 K	Full	\$2.5 M	\$250 K	Full	\$200 K	\$100 K	Full
3	Supply Team Leader	\$2.5 M	\$250 K	C:\$10M A:\$1M	\$1M	\$100K	C:\$5M A:\$500K	\$100 K	\$50 K	C:\$250K A:\$125K
	Supply Specialist	\$750 K	\$75 K	C:\$5 M A:\$500 K	\$500 K	\$50K	C:\$2.5M A:\$250K	\$50K	\$25 K	C:\$200K A:\$100K
4	Supply Officer	\$250 K	\$25K	C:\$2.5M A:\$250K	\$150 K	\$25K	C:\$1M A:\$100K	\$25K	\$15 K	C:\$100K A:\$50K
	Intern Officer/ Trainee									
	Sr. Purch. Assistant									
	Proc. Assistant									

**Legend:** C = Contract Signing Authority  
A = Aggregate Contract Amendment Signing Authority

**Remarks:**

- (a) When using this table, contracting authorities must refer to the Instructions found at the beginning of this annex.
- (b) Defence Construction Canada (DCC) has exclusive authority to acquire or construct defence projects required by the Department of National Defence (DND). Contract authorities for construction services carried out on behalf of DND are limited by an agreement between PWGSC and DCC, which stipulates that PWGSC will carry out construction services on behalf of DND

only if the value of the services does not exceed \$60,000. If the value of such services carried out on behalf of DND exceeds \$60,000, approval to proceed must be obtained from DCC.

**Authority Reference:**

- [Defence Production Act](#), articles 6.(1), 10.(2) and 16(c)
- Operating Agreement between DND and DCC dated November 16, 1994.

**NON-REGULATED TELECOMMUNICATION SERVICES  
- Contract Approval and Signing Authority Limits**

Level	Position	Electronic			Competitive			Non-competitive		
		Approval		Signing	Approval		Signing	Approval		Signing
		Contract Entry	Aggreg. Amend.		Contract Entry	Aggreg. Amend.		Contract Entry	Aggreg. Amend.	
	Minister	\$200M	\$100M	Full	\$20M	\$10M	Full	\$3M	\$1.5M	Full
1	ADM	\$200M	\$100M	Full	\$20M	\$10M	Full	\$3M	\$1.5M	Full
	DG, RDG	\$150M	\$1.5M	Full	\$15M	\$1.5M	Full	\$2.25M	\$1.125M	Full
	Sr. Director, Regional Director	\$100M	\$1M	Full	\$10M	\$1M	Full	\$1.5M	\$750K	Full
2	Director	\$50M	\$400K	Full	\$5M	\$400K	Full	\$400K	\$400K	Full
	Manager	\$2.5M	\$200K	Full	\$1M	\$200K	Full	\$300K	\$200K	Full
3	Supply Team Leader	\$1M	\$100K	C:\$50M A:\$400K	\$400K	\$100K	C:\$5M A:\$400K	\$200K	\$100K	C:\$400K A:\$400K
	Supply Specialist	\$300K	\$50K	C:\$2.5M A:\$200K	\$300K	\$50K	C:\$1M A:\$200K	\$100K	\$50K	C:\$300K A:\$200K
4	Supply Officer	\$100K	\$15K	C:\$1M A:\$100K	\$100K	\$15K	C:\$400K A:\$100K	\$30K	\$15K	C:\$200K A:\$100K
	Intern Officer/ Trainee	\$70K	\$10K	C:\$300K A:\$50K	\$70K	\$10K	C:\$300K A:\$50K	\$20K	\$10K	C:\$100K A:\$50K
	Sr. Purch. Assistant	\$40K	\$5K	C:\$100K A:\$15K	\$40K	\$5K	C:\$100K A:\$15K	\$10K	\$5K	C:\$30K A:\$15K
	Proc. Assistant	\$10K	\$2K	C:\$70K A:\$10K	\$10K	\$2K	C:\$70K A:\$10K	\$4K	\$2K	C:\$20K A:\$10K

**Legend:** C = Contract Signing Authority  
A = Aggregate Contract Amendment Signing Authority

**Remarks:** When using this table, contracting authorities must refer to the Instructions found at the beginning of this annex.

**A&E SERVICES - Contract Approval and Signing Authority Limits**  
(unless otherwise approved by Treasury Board, these limits are effective from April 1, 2009 to March 31, 2011.)

Level	Position	Electronic			Competitive			Non-competitive		
		Approval		Signing	Approval		Signing	Approval		Signing
		Contract Entry	Aggreg. Amend.		Contract Entry	Aggreg. Amend.		Contract Entry	Aggreg. Amend.	
	Minister	\$5 M	\$2.5M / \$1.25M <sup>1</sup>	Full	\$2.5 M	\$1.25M / \$625K <sup>1</sup>	Full	\$250K	\$250K / \$250K <sup>1</sup>	Full
1	ADM	\$5 M	\$2.5M / \$1.25M <sup>1</sup>	Full	\$2.5M	\$1.25M / \$625K <sup>1</sup>	Full	\$250K	\$250K / \$250K <sup>1</sup>	Full
	DG, RDG	\$3.75 M	\$750 K / \$375K <sup>1</sup>	Full	\$1.5M	\$375K / \$200K <sup>1</sup>	Full	\$200K	\$200K / \$100K <sup>1</sup>	Full
	Sr Director, Regional Director	\$2.5M	\$500K / \$250K <sup>1</sup>	Full	\$1M	\$250K / \$125K <sup>1</sup>	Full	\$175K	\$150K / \$75K <sup>1</sup>	Full
2	Director	\$1.5M	\$150K / \$75K <sup>1</sup>	Full	\$750K	\$100K / \$50K <sup>1</sup>	Full	\$150K	\$125K / \$67.5K <sup>1</sup>	Full
	Manager	\$1M	\$100K / \$50K <sup>1</sup>	Full	\$500K	\$75K / \$37.5K <sup>1</sup>	Full	\$125K	\$100K / \$50K <sup>1</sup>	Full
3	Supply Team Leader	\$750 K	\$75K / \$37.5K <sup>1</sup>	C:\$1.5M A:\$150K	\$300 K	\$50K / \$25K <sup>1</sup>	C:\$750K A:\$100K	\$100K	\$50K / \$25K <sup>1</sup>	C:\$150K A:\$125K
	Supply Specialist	\$500 K	\$50K / \$25K <sup>1</sup>	C:\$1M A:\$100 K	\$200K	\$25 K / \$15K <sup>1</sup>	C:\$500K A:\$75 K	\$75K	\$25K / \$12.5K <sup>1</sup>	C:\$125K A:\$100K
4	Supply Officer	\$125K	\$25K / \$10K <sup>1</sup>	C:\$750K A:\$75 K	\$75 K	\$25K / \$5K <sup>1</sup>	C:\$300K A:\$50K	\$50K	\$15K / \$5K <sup>1</sup>	C:\$100K A:\$50K
	Intern Officer/ Trainee									
	Sr. Purchasing Assistant									
	Proc. Assistant									

**Legend:** C = Contract Signing Authority  
A = Aggregate Contract Amendment Signing Authority

<sup>1</sup> = Authority to issue subsequent amendments to an amendment approved by Treasury Board to the maximum limit shown.

**Remarks:** When using this table, contracting authorities must refer to the Instructions found at the beginning of this annex.

**Annex 6.4.3: Exceptional Contracting Limits**  
(2010-01-11)

**INSTRUCTIONS**

- (a) The tables that form part of this annex must be read in conjunction with the "Notes to Exceptional Contracting Limits" ([Annex 6.4.4](#)), using the column numbers for reference. The notes provide additional information about the authorities contained in the tables, describing the meanings of column headings and documenting the relevant restrictions that apply to various authorities but which are not shown in the tables themselves.
- (b) The limits shown in this table are expressed in terms of thousands (K) or millions (M) of dollars or, where dollars are not appropriate, in terms of policy or regulatory constraints.
- (c) The relevant limits for individual officers, which may be lower than the maximums delegated to the levels above, are contingent upon Acquisitions Branch policies and procedures. Acquisitions personnel are to ensure that any authorities they exercise are in accordance with their approved individual delegation form.
- (d) In addition to dollar references in the tables, some limits are shown as "Full". This means that officers in specified organizational positions have full authority for contracting subject to the lesser of Treasury Board/Public Works and Government Services Canada restriction or the availability of funds in the client budget. Unless specified otherwise, the authorities delegated in these tables apply only in the area of responsibility of the contracting officers exercising the authorities. This is directly related to the function contracting officers performs in their positions and the associated responsibilities of that function.
- (e) Position titles shown in the tables are examples only. For more information, see the Table of Equivalent Positions in [Annex 6.4.5](#).

**Table 1 - Contract Approval and Signing Authority Limits\***  
 (\*Authority limits on this page apply to the cumulative value of the contract including amendments)

Level	Position	Conditional Emergency Contracting Authority	Special Contracting Limits			Repair and overhaul of military equipment	Procurement under the U.S. Foreign Military Sales Program
			Transp. services from common carriers	Regulated electricity, gas, water, sewage disposal, heat and telecom. services	Deregulated electricity and natural gas		
	Minister	\$15M	Full	Full	\$100M	\$50M	\$25M
1	ADM	\$15M (See Notes)	Full (See Notes)	Full (See Notes)	\$100M (See Notes)	\$50M	\$25M
	DG, RDG		Full (See Notes 1 and 2)	Full (See Notes 1 and 2)	\$50M (See Notes 1 and 2)	\$25M (See Notes 1 and 2)	\$12.5M (See Notes 1 and 2)
	Sr Director, Regional Director		Full (See Notes 1 and 2)	Full (See Notes 1 and 2)	\$50M (See Notes 1 and 2)	\$25M (See Notes 1 and 2)	\$12.5M (See Notes 1 and 2)
2	Director		Max. \$1M (See Note 1)	Max. \$1M (See Note 1)	Max. \$1M (See Note 1)	Max. \$20M (See Note 1)	See Note 1
	Manager		Max. \$1M (See Note 1)	Max. \$1M (See Note 1)	Max. \$1M (See Note 1)	Max. \$20M (See Note 1)	See Note 1
3	Supply Team Leader		Max. \$500K (See Note 1)	Max. \$500K (See Note 1)	Max. \$500K (See Note 1)	Max. \$10M (See Note 1)	See Note 1
	Supply Specialist		Max. \$500K (See Note 1)	Max. \$500K (See Note 1)	Max. \$500K (See Note 1)	Max. \$10M (See Note 1)	See Note 1
4	Supply Officer		Max. \$50K (See Note 1)	Max. \$50K (See Note 1)	Max. \$50K (See Note 1)	Max. \$1M (See Note 1)	See Note 1
	Intern Officer/ Trainee		Max. \$50K (See Note 1)	Max. \$50K (See Note 1)	Max. \$50K (See Note 1)	Max. \$1M (See Note 1)	See Note 1
	Sr. Purchasing Assistant		Max. \$50K (See Note 1)	Max. \$50K (See Note 1)	Max. \$50K (See Note 1)	Max. \$1M (See Note 1)	See Note 1
	Proc. Assistant		Max. \$50K (See Note 1)	Max. \$50K (See Note 1)	Max. \$50K (See Note 1)	Max. \$1M (See Note 1)	See Note 1
	<b>See Note in Column</b>	<b>46</b>	<b>47</b>	<b>48</b>	<b>49</b>	<b>50</b>	<b>51</b>

**Position Titles:** Position titles shown above are examples only - all equivalent positions (as shown in the Table of Equivalent Positions found in [Annex 6.4.2](#)) have the same authorities as indicated above.

The relevant limits for individual officers, which may be lower than the maximums delegated to the levels above, are contingent upon Acquisitions Branch policies and procedures. Contracting officers must ensure that any authorities they exercise are in accordance with their approved delegation form.

The limits shown in this table are expressed in terms of thousands (K) or millions (M) of dollars or, where dollars are not appropriate, in terms of policy or regulatory constraints. The word “Full” means that the authority limit is subject to the lesser of TB/departmental restriction or budgetary limit (i.e., the availability of funds).

**Remarks:** Contracting authorities must refer to the following:

- (a) Instructions to Exceptional Contracting Limits, found at the beginning of this annex.
- (b) Explanation of Notes (as referred to in table above) found in [Annex 6.4.4](#).

**Table 2 - Contract Approval and Signing Authority Limits\***

(\*Authority limits on this page apply to the cumulative value of the contract including amendments)

Level	Position	Procurement of ammunition under the Munitions Supply Program	Agreements for the supply of edible agricultural products for foreign aid programs	Agreements for the transport by ocean-going vessel of any goods shipped for CIDA	Procurement of Bulk Fuels
	Minister	<b>\$50M</b>	\$10M	<b>\$5M</b>	<b>\$10M</b>
1	ADM	\$50M	\$10M (See Notes )	\$5M (See Notes )	\$10M (See Notes)
	DG, RDG	\$25M (See Notes 1 and 2)	\$5M (See Notes 1 and 2)	\$2.5M (See Notes 1 and 2)	\$10M (See Notes 1 and 2)
	Sr. Director, Regional Director	\$25M (See Notes 1 and 2)	\$5M (See Notes 1 and 2)	\$2.5M (See Notes 1 and 2)	\$10M (See Notes 1 and 2)
2	Director	Full (See Note 1)	Max. \$2.5M (See Note 1)	Max. \$1M (See Note 1)	Max. \$2.5M (See Note 1)
	Manager	Full (See Note 1)	Max. \$2.5M (See Note 1)	Max. \$1M (See Note 1)	Max. \$2.5M (See Note 1)
3	Supply Team Leader	Full (See Note 1)	Max. \$1M (See Note 1)	Max. \$250K (See Note 1)	Max. \$1M (See Note 1)
	Supply Specialist	Full (See Note 1)	Max. \$1M (See Note 1)	Max. \$250K (See Note 1)	Max. \$1M (See Note 1)
4	Supply Officer	Full (See Note 1)	Max. \$250K (See Note 1)	Max. \$100K (See Note 1)	Max. \$250K (See Note 1)
	Intern Officer/ Trainee	Full (See Note 1)	Max. \$250K (See Note 1)	Max. \$100K (See Note 1)	Max. \$250K (See Note 1)
	Sr. Purchasing Assistant	Full (See Note 1)	Max. \$250K (See Note 1)	Max. \$100K (See Note 1)	Max. \$250K (See Note 1)
	Proc. Assistant	Full (See Note 1)	Max. \$250K (See Note 1)	Max. \$100K (See Note 1)	Max. \$250K (See Note 1)
	<b>See Note in Column</b>	<b>52</b>	<b>53</b>	<b>54</b>	<b>55</b>

**Remarks:** Contracting authorities must refer to the following:

- (a) Instructions to Exceptional Contracting Limits found at the beginning of this annex.
- (b) Explanation of Notes (as referred to in table above) found in [Annex 6.4.4](#).

**Table 3 - Contract Approval and Signing Authority Limits**

(\*Authority limits on this page apply to the cumulative value of the contract/standing offer/supply arrangement including amendments/revisions)

Level	Position	Standing Offers and Supply Arrangements	Energy Management Contracts		
			Approval Authority		Signing Authority
			Contract Entry	Aggregate of Amendment	
	<b>Minister</b>	<b>Full</b>	<b>\$25M including amendments</b>		<b>Full</b>
1	ADM	Full (See Notes)	\$25M including amendments (See Notes)		Full
	DG, RDG	Full (See Note 1)	\$25M including amendments (See Notes)		Full
	Sr. Director, Regional Director	Full (See Note 1)	\$25M including amendments (See Notes)		Full
2	Director	Max. \$20M (See Note 1)	\$10M (See Notes)	\$5M (See Notes)	Full
	Manager	Max. \$20M (See Note 1)	\$5M (See Notes)	\$2.5M (See Notes)	Full
3	Supply Team Leader	Max. \$10M (See Note 1)			Full
	Supply Specialist	Max. \$10M (See Note 1)			Full
4	Supply Officer	Max. \$1M (See Note 1)			Full
	Intern Officer/ Trainee	Max. \$1M (See Note 1)			Full
	Sr. Purchasing Assistant	Max. \$1M (See Note 1)			Full
	Proc. Assistant	Max. \$1M (See Note 1)			Full
	<b>See Note in Column</b>	<b>56</b>	<b>57</b>	<b>58</b>	<b>59</b>

**Remarks:** Contracting authorities must refer to the following:

- (a) Instructions to Exceptional Contracting Limits found at the beginning of this annex.
- (b) Explanation of Notes (as referred to in table above) found in [Annex 6.4.4.](#)

**For standing offers:** Approval, signing and amendment authorities are set out in above. The Contract Planning and Advance Approval (CPAA) issued to seek advance approval (or the formal procurement plan to seek procurement strategy approval) to use the standing offer method of supply must be approved based on the total estimated value, Goods and Services Tax/Harmonized Sales Tax (GST/HST) included, of the requirement (the whole project/program) that is proposed to be satisfied by this method of supply. Therefore, if it is intended to issue more than one standing offer against a Request for a Standing Offer, the sum of the total estimated value, GST/HST included, of all resulting standing offers must be used to obtain CPAA or formal procurement plan approval.

**Table 4 - Disposal of Surplus Crown Assets**  
(See Notes)

Level	Position	Disposal Approval and Signing Authority Limits				
		Sales Limitations			Inventory Shortages	Claims and Discrepancies
		Comp.	Non-comp.	Aggreg. Amend.		
	<b>Minister</b>	Full	Full	Full	Full	Full
1	ADM	Full	Full	Full	Full	Full
	DG, RDG	Full	Full	Full	Full	Full
	Sr. Director, Regional Director	Full	Full	Full	Full	Full
2	Director (incl. Crown Assets Distribution, Seized Property)	Full	Full	Full	Full	Full
	Manager	\$250K	\$75K	\$50K	\$2.5K	Full
3	Supply Team Leader, Chief (Crown Assets Dist.)	\$100K	\$25K	\$5K		\$0.2K
	Supply Specialist	\$100K	\$25K	\$5K		
4	Supply Officer	\$30K	\$10K	\$1K		
	Intern Officer/Trainee					
	Sr. Purchasing Assistant					
	Procurement Assistant					
	<b>See Note in Column</b>	<b>60</b>	<b>61</b>	<b>62</b>	<b>63</b>	<b>64</b>

**Remarks:** Contracting authorities must refer to the following:

- (a) Instructions to Exceptional Contracting Limits found at the beginning of this annex.
- (b) Explanation of Notes (as referred to in table above) found in [Annex 6.4.4](#).

Table 5 - Other Authority Limits

Level	Position	Canadian Commercial Corporation				Instructions Tools and Equipment required by Contractors for R&O of Defence supplies	Cert. of Defence supplies	Seized Property Management and Disposal (See Notes)	Disposal of Seized Real Property (See Notes)
		Contracting Documents							
		Bid Certification		Contract Signing					
		Bids, Proposals and Quotations	Aggreg. Amend.	Contract	Aggreg. Amend.				
	Minister	Full	Full	Full	Full	Full	Full	Full	
1	ADM	Full	Full	Full	Full	Full	Full	Full (See Notes)	Full (See notes)
	DG, RDG	Full	Full	Full	Full	Full	Full	Full (See Notes)	Full (See notes)
	Sr Director, Regional Director	Full	Full	Full	Full	Full	Full	Full (See Notes)	Full (See notes)
2	Director	Full	Full	Full	Full	Full	Full	Full (See Notes)	Full (See notes)
	Manager	\$1M	\$250K	\$4M	\$2M	Full	Full	\$150K (See Notes)	Full (See notes)
3	Supply Team Leader	\$500K	\$125K	\$2M	\$500K			\$100K (See Notes)	
	Supply Specialist	\$250K	\$75K	\$1M	\$250K			\$70K (See Notes)	
4	Supply Officer	\$100K	\$25K	\$200K	\$50K			\$30K (See Notes)	
	Intern Officer/ Trainee	\$60K	\$12K	\$100K	\$20K			\$20K (See Notes)	
	Sr. Purchasing Assistant	\$40K	\$8K	\$50K	\$10K			10K (See Notes)	
	Procurement Assistant	\$20K	\$4K	\$20K	\$4K			5K (See Notes)	
	<b>See Note in Column</b>	<b>65</b>	<b>66</b>	<b>67</b>	<b>68</b>	<b>69</b>	<b>70</b>	<b>71</b>	<b>72</b>

**Remarks:** Contracting authorities must refer to the following:

- (a) Instructions to Exceptional Contracting Limits found at the beginning of this annex.
- (b) Explanation of Notes (as referred to in table above) found in [Annex 6.4.4](#).

**Annex 6.4.4: Notes to Exceptional Contracting Limits**  
(2010-01-11)

The notes below apply to the matching column number in each table contained in [Annex 6.4.3](#):

**Column 46 Conditional Emergency Contracting Authority**

Approval authorities for non-competitive contracts and amendments, for goods and services up to \$15M rests with the Minister of Public Works and Government Services Canada (PWGSC) and the Assistant Deputy Minister, Acquisitions Branch, in response to pressing emergencies by departments where there will be significant human and/or financial risk on condition that a report be sent to the Treasury Board (TB) Secretariat within 60 calendar days of the authorization or beginning of work.

This emergency contracting authority **can be used only if all** of the following criteria are met:

- (a) the Assistant Deputy Minister, Acquisitions Branch, invokes the National Security or Extreme Urgency provisions of the applicable trade agreements;
- (b) the requirement cannot be satisfied by normal contracting procedures due to the urgency of the situation; and
- (c) the applicable client departmental minister requests that the PWGSC Minister or the Assistant Deputy Minister, Acquisitions Branch, approve the use of this authority.

This authority remains subject to the reporting requirement for the use of emergency contracting as set out in the TB Contracting Policy.

**Authority Reference:**

- TB Contracting Policy, Appendix C - Contracts Directive, Part III, Emergency Contracting Limit - Section 5.

**Column 47 Transportation Services from Common Carriers**

Approval authority to enter into or amend a service contract for transportation services from common carriers, if the rates charged do not exceed the normal rates for such services:

Note 1: in accordance with [Annex 6.4.2](#), up to the maximum indicated;

Note 2: if the estimated value of the contracts or amendments exceeds the limits in [Annex 6.4.2](#).

- All positions in Level 1: Full

**Authority Reference:**

- TB Contracting Policy, Appendix C - Contracts Directive, Part II, Departmental Index to Exceptional Contracting Limits, Article 1.(a).

**Column 48 Regulated electricity, gas, water, sewage disposal, heat and telecommunication services**

Approval authority to enter into or amend a service contract for electricity, gas, water, sewage disposal, heat and telecommunication services, which by full or partial regulation, are only available from suppliers at regulated prices or at prices accepted by a regulatory mechanism, if

- (a) the rates do not exceed the normal rates, and
- (b) the contract does not involve negotiated installation or capital charges in excess of \$200,000.

Note 1: in accordance with the applicable table of [Annex 6.4.2](#), up to the maximum indicated;  
Note 2: if the estimated value of the contract or contract amendment exceeds the limits in the applicable table of [Annex 6.4.2](#).

- All positions in Level 1: Full

**Authority Reference:**

- TB Contracting Policy, Appendix C - Contracts Directive, Part II, Departmental Index to Exceptional Contracting Limits, Article 1.(b).

**Column 49 Deregulated electricity and natural gas**

Approval authority to enter into or amend a service contract for deregulated electricity and natural gas using competitive electronic bidding, when the deregulated portion does not exceed \$100M:

Note 1: in accordance with [Annex 6.4.2](#), up to maximum indicated;  
Note 2: if the estimated value of the contract or contract amendment exceeds the limits in [Annex 6.4.2](#), up to the maximum indicated.

**Authority Reference:**

- TB Contracting Policy, Appendix C - Contracts Directive, Part II, Departmental Index to Exceptional Contracting Limits, Article 1.(c).

**Column 50 Repair and overhaul of military equipment**

Approval authority to enter into or amend a contract to repair and overhaul military equipment:

Note 1: in accordance with the applicable table of [Annex 6.4.2](#) up to the maximum indicated;  
Note 2: if the total amount payable under the contract, including any amendments, exceeds the limits in the applicable table of [Annex 6.4.2](#) up to the maximum indicated.

**Authority Reference:**

- TB Contracting Policy, Appendix C - Contracts Directive, Part II, Departmental Index to Exceptional Contracting Limits, Section 7.

**Column 51 Procurement under the U.S. Foreign Military Sales Program**

Approval authority to enter into or amend a contract for procurement under the U.S. Foreign Military Sales Program:

Note 1: in accordance with the applicable table of [Annex 6.4.2](#);  
Note 2: if the total amount payable under the contract, including any amendments, exceeds the limits in the applicable table of [Annex 6.4.2](#), up to the maximum indicated.

**Authority Reference:**

- TB Contracting Policy, Appendix C - Contracts Directive, Part II, Departmental Index to Exceptional Contracting Limits, Section 31.

**Column 52 Procurement of ammunition under the Munitions Supply Program**

Approval authority to enter into or amend a goods contract for the procurement of ammunition under the Munitions Supply Program:

Note 1: in accordance with [Annex 6.4.2](#);  
Note 2: if the total amount payable under the contract, including any amendments, exceeds the limits in [Annex 6.4.2](#), up to the maximum indicated.

**Authority Reference:**

- TB Contracting Policy, Appendix C - Contracts Directive, Part II, Departmental Index to Exceptional Contracting Limits, Section 30.

**Column 53 Agreements for the supply of edible agricultural products for foreign aid programs**

Approval authority to enter into or amend a goods contract for the procurement of any edible agricultural product for foreign aid programs, if:

- (a) the price offered is reasonable under prevailing market conditions, the lowest-priced bid is accepted or, when necessary to obtain the tonnage demanded, successive lowest-priced bids are accepted, or
- (b) a bid solicitation FAS (Free Alongside Ship) multiple ports is issued, the lowest-priced bid is accepted or, when necessary to obtain the tonnage demanded, successive lowest-priced bids that result in the lowest total cost to the recipient country are accepted:

Note 1: in accordance with [Annex 6.4.2](#), up to the maximum indicated;

Note 2: if the total amount payable under the agreement, including any amendments, exceeds the limits in [Annex 6.4.2](#), up to the maximum indicated.

**Authority Reference:**

- TB Contracting Policy, Appendix C - Contracts Directive, Part II, Departmental Index to Exceptional Contracting Limits, Section 5.

**Column 54 Agreements for the transport by ocean-going vessel of any goods shipped for the Canadian International Development Agency**

Approval authority to enter into or amend an agreement for the transport by ocean-going vessel of any goods shipped for the Canadian International Development Agency, if

- (a) the price offered is considered to be reasonable under prevailing market conditions, and
- (b) the lowest-priced bid is accepted or, if it is necessary to accept more than one bid to accommodate the quantity of goods to be shipped, successive lowest-priced bids are accepted:

Note 1: in accordance with [Annex 6.4.2](#), up to maximum indicated;

Note 2: if the total amount payable under the agreement, including any amendments, exceeds the limits in [Annex 6.4.2](#), up to the maximum indicated.

**Authority Reference:**

- TB Contracting Policy, Appendix C - Contracts Directive, Part II, Departmental Index to Exceptional Contracting Limits, Section 6.

**Column 55 Procurement of bulk fuels**

Approval authority to enter into or amend a contract for the procurement of bulk fuels, if the total amount payable under the contract, including any amendments, or call-up against a standing offer, does not exceed \$10,000,000:

Note 1: in accordance with the applicable table of [Annex 6.4.2](#), up to the maximum indicated;

Note 2: if the planned limit on the total expenditure exceeds the limits in the applicable table of [Annex 6.4.2](#), up to the maximum indicated.

**Authority Reference:**

- TB Contracting Policy, Appendix C - Contracts Directive, Part II, Departmental Index to Exceptional Contracting Limits, Section 32.

**Column 56 Standing Offers and Supply Arrangements**

Approval authority to use a standing offer method of supply or a supply arrangement when the resulting individual call-ups or contracts will not exceed the limits prescribed by TB:

Note 1: in accordance with the applicable table of [Annex 6.4.2](#) up to the maximum indicated;

Note 2: if the total estimated expenditure exceeds the limits in the applicable table of [Annex 6.4.2](#).

**NOTE:** See Column 55 for Procurement of Bulk Fuels.

**Columns 57, 58 and 59 Energy Management Contracts**

Approval authority to enter into or amend a service contract for the procurement of energy supply, energy efficiency improvements, energy management services and energy management monitoring and training if the total amount under the contract, including any amendments:

- (a) does not exceed \$25M or the maximum indicated, and
- (b) provided that each custodian's first energy management contract over \$1M is submitted for TB approval.

**Authority References:**

- TB Contracting Policy, Section 8.10;
- TB Contracting Policy, Appendix C - Contracts Directive, Part II, Departmental Index to Exceptional Contracting Limits; Section 49.

**Columns 60 to 64 Disposals of Surplus Crown Assets**

These are the approval authorities required for the sale, exchange, transfer to another department, lease, lend or otherwise disposal of surplus government assets by Crown Assets Distribution Centres and the Crown Assets Distribution Directorate. These authorities must be exercised only by: the ADM, Acquisitions Branch; the Director General, Commercial Acquisitions and Supply Management Sector; the Director, Crown Assets Distribution; the Regional Directors General, the Regional Directors, Acquisitions, and those positions under the Crown Assets Distribution Directorate and Crown Assets Distribution Centres.

The authorities in these columns apply to all sales transacted with:

- (a) the general public;
- (b) any preferred customer, defined in two groups:
  - (i) Group 1, consisting of federal government departments or agencies listed in Schedules I and II of the *Financial Administration Act*, as well as Branches Designated as Departments for the purposes of the Act; and
  - (ii) Group 2, consisting of provincial government departments and agencies; municipal government bodies and boards; incorporated Indian bands or councils; educational institutions, supported financially through federal, provincial or municipal subsidy or concession; or charitable or non-profit organizations with appropriate certification status.
- (c) if surplus assets have been offered to the public, preferred status will not be recognized. However, the party may submit an offer in the normal manner.

**Authority References:**

- *Surplus Crown Assets Act*
- TB Directive on Disposal of Surplus Material

**Columns 65 to 68 Canadian Commercial Corporation**

This is the authority for PWGSC to carry out contracting services in relation to Canadian Commercial Corporation (CCC)'s export activities.

**Authority Reference:**

- Interdepartmental Memorandum of Understanding between CCC and PWGSC.

**Column 69 Instructions - Tools and Equipment**

As part of the fulfilment of the Minister's duties and responsibilities under the *Defence Production Act*, this is the authority to issue instructions for shipment, transportation, storage and warehousing of machine tools, special production tooling and special test equipment that are required by contractors in the manufacturing or in the repair and overhaul of defence supplies or other equipment.

**Authority Reference:**

- [\*Defence Production Act\*](#).

**Column 70 Certification of Defence Supplies**

This is the authority to provide the certification required by the Canada Revenue Agency from PWGSC that items imported, pursuant to contract, by the Department of National Defence are "defence supplies". "Defence supplies", as defined in the *Defence Production Act*, means

- (a) arms, ammunition, implements of war, vehicles, mechanical and other equipment, watercraft, amphibious craft, aircraft, animals, articles, materials, substances and things required or used for the purposes of the defence of Canada or for cooperative efforts for defence being carried on by Canada and an associated government,
- (b) ships of all kinds, and
- (c) articles, materials, substances and things of all kinds used for the production or supply of anything mentioned in paragraph (a) or (b) or for the construction of defence projects.

**Authority Reference:**

- Canada Border Services Agency, Memorandum D8-9-3, Tariff Item 9982.00.00;
- [\*Defence Production Act\*](#).

**Column 71 Seized Property Management and Disposal**

Approval and signing authorities under the *Seized Property Management Act* and Regulations are to manage and dispose of all seized properties (excluding disposal of seized real property).

These authorities are to be exercised only by the ADM, Acquisitions Branch, Director General Commercial Acquisitions and Supply Management Sector, and by those officers occupying a position within the Seized Property Management Directorate who have been delegated authorities under the *Seized Property Management Act*.

**Authority Reference:**

- [\*Seized Property Management Act\*](#) and Regulations

**Column 72 Disposal of Seized Real Property**

This statutory authority to dispose of seized real property is found in the [Seized Property Management Act](#). Section 10 of the [Seized Property Disposition Regulations](#) specifies that where the Minister of Public Works and Government Services disposes of property that is real property, the Minister will do so in accordance with the [Federal Real Property and Federal Immovables Act](#) and Regulations. Therefore, the Minister has signed a stand-alone Section 3 Authorization pursuant to the *Federal Real Property and Federal Immovables Act*.

This authority is delegated as follows:

Specific Delegation of Authority		
Level 1	Assistant Deputy Minister, Acquisitions Branch Director General, Commercial Acquisitions and Supply Management Sector	FULL
Level 2	Director, Seized Property Management Directorate	FULL

**Authority Reference:**

- [Seized Property Management Act](#)
- [Seized Property Disposition Regulations](#)
- [Federal Real Property and Federal Immovables Act](#) and Regulations

**Annex 6.4.5: Table of Equivalent Positions**  
(2010-01-11)

**Purpose**

Unless otherwise specified, all positions in this table are in the Acquisitions Branch, located in either headquarters or at client locations, or in regional operations with responsibility for common service acquisition functions.

**Remarks:**

1. Unless restricted by legislation, regulation, or policy, the Deputy Minister and the Associate Deputy Minister have the same authorities as the Minister.
2. For any position titles not listed in this Table of Equivalent Positions, the equivalent positions as recognized by the Chief Financial Officer will apply.

<b>TABLE OF EQUIVALENT POSITIONS</b>	
<b>Level 1</b>	Assistant Deputy Minister, Acquisitions
	Director General, Acquisitions Regional Director General
	<b>Senior Director, Acquisitions</b> <b>Regional Director, Acquisitions</b>
<b>Level 2</b>	<b>Director, Acquisitions</b> <b>Director, Seized Property Management Directorate</b>
	<b>Manager</b> Project Manager Procurement Manager Manager (Koblenz) Senior Contracts Officer (Washington)
<b>Level 3</b>	<b>Supply Team Leader</b> Chief Supervisor Senior Procurement Officer Senior Contract Management Officer
	<b>Supply Specialist</b> Team Leader Senior Case Officer Project Officer Procurement Officer Contract Management Officer Marine Technical Inspector (when performing purchasing functions) Senior Contracts Officer
<b>Level 4</b>	<b>Supply Officer</b> Export Transportation Officer Purchasing Officer Contracts Officer Case Officer
	<b>Intern Officer/Trainee</b>
	<b>Senior Purchasing Assistant</b>
	<b>Procurement Assistant</b> Purchasing Assistant Sales Representative (Crown Assets Distribution)

	Project Clerk Contract Clerk
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**Annex 6.4.6: Contract Amendment Approval Instructions**  
(2010-01-11)

When the correct approval authority level for a proposed amendment is being determined, consideration must be given not only to the value of the amendment but also to the cumulative value (or aggregate) of amendments. The amendment approval authority level is based on the aggregate amendment value excluding negative and pre-approved amendments. Following is an example of how to determine the appropriate authority for amendments to a contract awarded on a competitive basis.

**1. Determining the Amendment Approval Authority for Competitive Contracts for Goods**

A Contract Planning and Advance Approval (CPAA) was approved at the director level for a total original procurement value estimated at \$10,000,000. The electronic bidding process was utilized. The original contract was awarded at \$8,500,000 and signed by the Manager, the applicable signing authority level. The CPAA included a quantity option equaling \$1,000,000 to be exercised at anytime before the expiry date of the contract. The CPAA also included a set aside amount for design changes equaling \$500K.

The quantity option and the set aside amount for design changes were not funded at the time of contract award and were not included in the contract value.

Amendments 1 to 10 are determined as follows:

- (a) Amendment 1: not pre-approved, is needed to add some items equaling \$28,400.

The amendment approval authority is the Supply Specialist.

The Signing Authority is the Intern Officer/Trainee.

Revised contract value is now \$8,528,400.

- (b) Amendment 2: not pre-approved, is for a mutually agreeable one-month delay in the estimated delivery date of the first shipment (i.e., delivery date is not firm). A NIL amendment.

Amendment aggregate value for not pre-approved amendments is \$28,400.

NIL value amendments where no further risk or liability accrued to Canada are administrative in nature and can be approved by the contracting authority.

The signing authority is the Intern Officer/Trainee.

Revised contract value is now \$8,528,400 (no change).

- (c) Amendment 3: a pre-approved option quantity, exercises half of the option quantity amount equaling \$500,000.

Aggregate amendment values for not pre-approved amendments are separate from the aggregate amendment values of either options or set-aside amounts. If required, options or set-aside amounts can be exercised to the maximum value in one amendment.

Cumulative amendments to exercise a pre-approved option are \$500,000.

The amendment to exercise an option has already been pre-approved at the CPAA stage.

The signing authority is the Supply Team Leader.

Revised contract value is now \$9,028,400.

- (d) Amendment 4: not pre-approved, is for unscheduled work equaling \$76,400.

Amendment aggregate value for not pre-approved amendments is 104,800.

The amendment approval authority is the Manager.

The signing authority is the Supply Specialist.

Revised contract value is now \$9,104,800;

- (e) Amendment 5: pre-approved option quantity exercises the second half of the option quantity for a value of \$500,000.

The cumulative value for the pre-approved option is \$1,000,000. The option is now fully exercised.

The amendment to exercise an option has already been pre-approved at the CPAA stage.

The signing authority is the Supply Team Leader.

Revised contract value is now \$9,604,800.

- (f) Amendment 6: not previously approved, a NIL amendment is required to add a *Standard Acquisition Clauses and Conditions* (SACC) Manual clause, inadvertently omitted from the original document.

Amendment aggregate value for not pre-approved amendments is \$104,800.

NIL value amendments where no further risk or liability accrued to Canada are administrative in nature and require no approvals.

The signing authority is the Supply Specialist.

Revised contract value is now: \$9,604,800. No change.

- (g) Amendment 7: pre-approved set aside amount, is raised to exercise a portion of the pre-approved set aside amount for design changes equaling \$280,000.

The cumulative value for amendments to exercise the pre-approved set aside amount is \$280,000.

The amendment approval authority is the Manager.

The signing authority is the Supply Team Leader.

Amendments issued to use an amount set aside amount for unscheduled work, work arisings, or design changes must be approved by the appropriate non-competitive contract entry approval authority, not to exceed the Director level.

Aggregate amendment values of set aside amounts, previously approved, are separate from the aggregate amendment values of either options or normal amendments. If required, options or set-aside amounts can be exercised to the maximum value in one amendment.

Revised contract value is now \$9,884,800.

- (h) Amendment 8: pre-approved set aside amount, is raised to exercise a portion of the pre-approved set-aside amount for design changes equaling \$100,000.

The cumulative value for amendments to exercise the pre-approved set-aside amount is \$380,000. Balance remaining is \$120,000.

\* The set-aside amendment value stands alone: non-competitive contract entry approval authority is sought for \$100,000.

The amendment approval authority is the Supply Specialist.

The signing authority is the Supply Officer.

Revised contract value is now \$9,984,800.

- (i) Amendment 9: not pre-approved, is for unscheduled work equaling \$210,000.

Amendment aggregate for not pre-approved amendments is now \$314,800.

As per the Electronic Aggregate Amendment levels, the Director can approve amendments to a maximum aggregate amendment value of \$500,000.

The amendment approval authority is the Director.

The signing authority is the Supply Team Leader based on aggregate amendment amount.

Revised contract value is now \$10,194,800.

- (j) Amendment 10: not pre-approved; the client decides, due to cut backs, that Amendment 9, is no longer required. The supplier agrees to forego this work at no additional cost to Canada, (having just recently ordered materials and was able to negotiate no cancellation fees, etc. from his suppliers) for a negative value amendment of \$210,000.

Amendment aggregate value for not pre-approved amendments remains at \$314,800.

The amendment approval authority is the Contracting Authority, designated as such in the contract.

The signing authority is the Supply Team Leader based on aggregate amendment amount.

Revised contract value is now \$9,984,800.

## 2. Reductions in Contract Value

- (a) **Situation:** The client reduces the quantity required and the supplier/contractor agrees to the reduced quantity with no increase in the unit price.

**Approval Level:** The contracting authority, designated as such in the contract, may approve the amendment that reduces the value of the contract (if amendment is deemed administrative in nature).

- (b) **Situation:** The client reduces the quantity required but the supplier/contractor wants to increase the price because of the reduced quantity. Renegotiation is necessary.

**Approval Level:** The approval level for the contract amendment is that required for the revised unit price multiplied by the new quantity. Aggregate amendment approval authorities apply.

- (c) **Situation:** The client wishes to disencumber funds allocated to a repair and overhaul contract in the last quarter of the fiscal year, because no more work arisings will be forthcoming during that period.

**Approval Level:** The contracting authority, designated as such in the contract, may approve an amendment to reduce the value of the contract.

- (d) **Situation:** The client requires a work package to be removed from a research and development contract. There is no clear relationship between the reduced cost and the reduced work package.

**Approval Level:** The amendment will be approved at a level equal to the value of the proposed cost reduction. Aggregate amendment approval authorities apply. Nil value amendment is not appropriate as there is no link between the value of the work package and the reduction.

### 3. Substitute Item (or work package)

If a client requests the contracting authority to amend a contract by deleting an item (or work package) and substituting a different item (or work package), the value of the substitute item (or work package) will determine the contract amendment approval level. If the contract amendment approval level, based on the value of the substitute item (or work package) exceeds the Director General's approval authority, the standard method of determining the amendment approval authority, based on cumulative value of amendments, must be used to determine whether the Deputy Minister, the Minister, or TB approval is required.

### 4. Additional Risks

Contract amendments that propose changes to either the basis of payment, the method of payment or the contract conditions, so that additional risk or liability is transferred to Canada, must be authorized at or above the original approval level for that contract only if corresponding compensatory benefits accrue to Canada. In the absence of corresponding benefits, such changes would constitute extra payments for which only TB has approval authority.

The following are examples of changes that would constitute additional risk to Canada:

- (a) liberalizing the progress payments;
- (b) eliminating the requirement for a performance bond;
- (c) slippage, by the contractor, of firm delivery dates.

### 5. Advance Approval for Amount Set Aside

- (a) If the original authority to enter into a contract also included advance approval for an amount to be set aside for unscheduled work, design changes or work arisings, then on each occasion when any of the amount set aside is used, it must be approved by the appropriate non-competitive contract entry approval authority, not to exceed the Director level.
- (b) If an amendment to use the remainder of the amount set aside for a specific purpose exceeds the amount set aside, the approval authority for the excess amount will revert back to the appropriate aggregate amendment approval authority in accordance with [Annex 6.4.2](#). Aggregate amendment values of set asides, previously approved, are separate from the aggregate amendment values of either options or normal amendments. If required, set-asides can be exercised to the maximum value in one amendment.

- (c) If a condition of the original approval requires other levels of approval for encumbering amounts set aside, the levels established in the original contract approval will take precedence.
- (d) The amount of the set aside/option should be based on sound front-end planning and preparation. The better the planning and preparation the better the ability to predict additional quantities or unforeseen work arisings, and the more accurate the assigned dollars values. A procurement plan that is thoroughly justified as to the purpose of each planned expenditure, is more likely to be approved.

**6. Advance Approval for Options**

- (a) Once approval has been obtained to exercise an option, the contract amendment to exercise the option requires only the contract amendment signing authority as per [Annex 6.4.2](#). Funds and approval received for an option can only be used for the specific purpose stated in the approval document. The original approval authority must approve any change to the scope or period of the option.
- (b) Aggregate amendment values of options, previously approved, are separate from the aggregate amendment values of either set asides or normal amendments. If required, options can be exercised to the maximum value in one amendment.
- (c) Approval and funding for unexpected changes in the scope of the work, that were not specifically provided for in the approval document as an Advance Approval for Amount Set-Aside (see section 5 above), cannot be drawn from the approval for an option. For example, if approval is obtained for a 1 year services contract valued at \$200,000, with an option year also valued at \$200,000, the contracting officer cannot use the approval and funding related to the option year to cover an increase in the services required during the first year. Any change in the scope of work that was not approved as part of the original submission is a change in the requirement and must be approved on its own merits.

**7. Contract Code for Pre-approved Amendments**

- (a) Document Type number 22, Contract Code for Pre-approved Amendments, is available in ABE (Automated Buyer Environment) and SELECT systems, and is used to identify all pre-approved amendments.
- (b) These include, but are not limited to:
  - (i) amendments issued to exercise an option for additional quantities or years that were included in the original bid solicitation and approved as part of the original contract approval submission; and,
  - (ii) amendments which use amounts set-aside for anticipated, but not yet clearly defined, changes (e.g., unscheduled work, design changes, work arisings), which were approved as part of the original contract approval submission.
- (c) Amendments that do not fit within the description of the original approval or go beyond the scope or value of the approval will be coded as "Normal Amendments" and must be approved at the appropriate level as determined by the Minister's delegation of amendment authorities.

**8. Rates (or prices-to-be-negotiated) / Interim Rates (or prices)**

If the basis of payment in a contract includes interim rates (or prices) and it is proposed to amend the contract to provide for firm rates (or prices) in lieu, then the amendment approval authority level will be as follows (unless otherwise instructed by the contract approval authority):

- (a) one level above that required for signing the contract, only if the firm rates (or prices) are equal to or less than the interim rates (or prices); or
- (b) at the original contract approval authority level, when the firm rates (or prices) exceed the interim rates (or prices); or
- (c) Director General, if the contract was approved by the Assistant Deputy Minister, the Minister or TB.

**9. Combining Several Types of Contract Changes in One Amendment**

When a contract amendment is raised to incorporate several types of changes enumerated in sections 1 to 7 above (i.e., firming up price-to-be-negotiated items, using a portion of an amount set aside, addition of items/quantities, etc.), the highest approval level must apply for any one type of these changes or combinations being incorporated into the contract by that amendment.

**10. Amendments to Contracts with Former Public Servants**

TB must approve all amendments to service contracts with former public servants in receipt of a pension pursuant to the *Public Service Superannuation Act*, in accordance with section 1.1.1 of [Annex 6.4.1](#).

**11. Interpretation of Aggregate Amendment Value**

- (a) All amendment approval authorities (for amendments not pre-approved) must be determined on the basis of the aggregate amendment value.
- (b) Aggregate amendment value means the sum total of the amendments to a contract, including positive and negative amendments. It applies only to amendments requiring TB approval. For internal purposes and to ensure adequate control measures are in place, the aggregate amount for amendments not pre-approved will be calculated using only positive amendments.
- (c) As a general principle, once an approval level has been reached it can never be lowered. As an example, once the ministerial level for approval has been reached every subsequent positive amendment reverts to the minister regardless of dollar value.
- (d) Nil value amendments where no further risk or liability accrued to Canada are administrative in nature and can be approved and signed by the Contracting Authority. Nil value amendments where further risk or liability will be Canada's responsibility require approval authority at or above the original approval authority.

**12. Amendment Approved by Treasury Board**

When TB has approved an amendment, PWGSC may further amend the contract without TB approval if the cumulative value of the amendments after each issuance of an amendment pursuant to a TB approval does not exceed the non-competitive contract amendment approval authority limits set out in [Annex 6.4.2](#).