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BULLETIN 64: PROPOSAL CALLS AND RELATED ISSUES

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(note: this edition of Bulletin 64 updates and, further to AIBC Council's 08 March 2004 motions, supercedes in significant ways its February 1994 edition.)

The following policies and advice apply to any and all client/consultant engagement arrangements and project delivery models (e.g. traditional, design-build, P3).

A. PROPOSAL CALLS

There is no general prohibition against responding appropriately to Proposal Calls, in either the private or public sectors. However, unsanctioned competition and/or speculative service as noted above and/or providing service for free are prohibited.

It is typically unacceptable (except in an AIBC-sanctioned competition) for more than one architect (or architectural firm or certificate of practice holder) to submit a design idea (or other form of professional advice) to a given client, e.g. to a housing society ... or to a developer which itself is going to submit a design/build or turnkey proposal ... but quite acceptable for individual architectural firms or certificate of practice holders to be retained (e.g.) by separate developers (i.e. proponents), so long as each architectural firm is paid by its developer-client for professional service rendered, in substantial accordance with Bylaw 34.16 and the Code of Ethics thereunder.

Each proposal for architectural services must:

- (i) state its compliance with AIBC Bylaw 28: Professional Engagement and the Code of Ethics (*cf.* Bulletin 67);
- (ii) disclose the architect's professional liability insurance coverage (*cf.* Bulletin 66); and
- (iii) encompass a range of "due diligence" information review, in keeping with an architect's necessary pre-commission activities (*cf.* Bulletin 90: Minimum Scope of Architectural Services).

Accordingly, Council has defined the fundamental circumstances under which an architect may provide a fee (for service) proposal when responding to "calls" by clients for architectural services:

“All architects should provide the most professional, reliable, ethical and honest services to all clients and uphold their commitment to acting in the public interest, and an architect or architectural firm should only submit a fee proposal to a client with the benefit of essential information from the client, that will enable a responsible professional conclusion as to the provision of fees-for-service.

Accordingly no architect or architectural firm shall respond to a request for a proposal (RFP) until:

1. they have received from the client clarification of the project’s identity and principal requirements, location and funding status.
2. they have received from the client the schedule for the project, indicating at least the anticipated start of services and desired completion dates.
3. they have received details of the construction budget* for the project.
4. they have received from the client the details of the scope of services that will be required.
5. they have received from the client the terms of engagement.”

** construction budget” does not include the client’s other “project budget” factors which do not relate to the architect’s scope of service and intended “work” itself.*

The above-noted policy is independent of the amount of any proposed fee or its relationship to the AIBC’s Tariff of Recommended Fees for an Architect’s Services. It is aimed at protecting architects and clients from fee-for-service proposals that are unable to and do not reflect the true scope, nature and terms of the work involved and reasonably anticipated. The submission of an uninformed, unsubstantiated fee-for-service proposal would be unethical.

The foregoing notwithstanding, quality-based selection of architects is strongly recommended, through equitable and transparent processes. In those regards, and to assist both potential clients and architects, AIBC Council has endorsed a set of guidelines with respect to the appropriate preparation of response to calls or invitations for Expressions of Interest, Qualifications or Proposals. Their use is highly encouraged. They may be obtained from the AIBC website at www.aibc.ca or hardcopy via the AIBC Practice Coordinator, 100 – 440 Cambie Street, Vancouver, BC V6B 2N5; Facsimile 604 683-8568; Telephone 604 683-8588 extension 310.

B. DEFERRED PAYMENT

The principle of “draw now, be paid later” is strictly a business decision, as long as the architect does have an agreement to be remunerated for services, in keeping with Bylaw 34.16 and the Code of Ethics thereunder and takes care of obligations to staff and consultants.

C. SPECULATIVE SERVICE

The principle of “draw now, be paid if it flies” is speculative in nature and generally constitutes unprofessional practice in contravention of Bylaws 34.10 and 34.16 and the Code of Ethics thereunder.

D. UNSANCTIONED COMPETITIONS

Architects are prohibited from competing with each other (on the same project for the same client) unless such a competition is approved by the AIBC Council, as per Bylaws 34.9, 34.11 and 34.14 and the Code of Ethics thereunder. See also related Bulletin 63.

Feedback is encouraged from architects and clients alike. The AIBC will review draft Requests for Qualifications (RFQs) and Requests for Proposals (RFPs) and provide constructive comment in their regard.

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