

# Consulting Services Review Process

## Governance Model

### Recommendation:

That the June 8, 2010, Corporate Services Department report 2010COP004 be received for information.

### Report Summary

**This report provides a response to a motion related to the governance model for consulting services.**

### Previous Council/Committee Action

At the March 2, 2010, City Council meeting, the following motion was passed:

That Administration provide a report to Executive Committee outlining a process for a review of the governance model for consulting services.

### Report

At the February 16, 2010, Audit Committee meeting, the Office of the City Auditor's Consulting Services Review report was received for information.

This report included recommendations designed to strengthen the City's consultant engagement and oversight processes.

In response to these Audit recommendations, Administration completed a comprehensive review of its existing professional services agreement process. The purpose of the review was to identify opportunities to

strengthen process oversight before, during and after consultant engagements.

The Office of the City Auditor has been actively involved throughout the process review by providing feedback and confirmation that the identified process changes support the desired outcomes outlined in their Consulting Services Review report.

In order to increase process oversight for consulting services, the following process enhancements have been identified and will be introduced into the professional services agreement process toolbox and guidelines. These include:

1. Business case justifying the use of consultants: There will be alignment in the Professional Services Agreement process with the corporate business case template currently being developed that includes an element addressing resource considerations and justifications. This will include a clear demonstration of why an external consultant should be used and will also provide the justification for the selection decision (sole source, invitational or open competitive process).
2. Professional services agreement completion certificate: At the end of all engagements, a completion certificate must be prepared and signed by the contracting manager to document the satisfactory completion of all deliverables.
3. Professional Services Agreement specialist training and certification:

Representatives from all Departments will be required to become certified in the professional services agreement process and guidelines. This certification will consist of a comprehensive training program and testing to demonstrate their knowledge and understanding of the roles, responsibilities and requirements associated with all phases of the consultant engagement process. Departments will be required to have a certified employee involved in processing any professional services agreements engaging consultants.

4. Centralized Professional Services Agreement documentation repositories: Departments will establish central document repositories using approved records management procedures in order to facilitate the storage and retrieval of process documentation for all professional services agreements.
5. Compliance Assurance: Random compliance checks of professional services agreement files will be conducted to review and report to senior management on compliance with established guidelines and documentation requirements.
6. Clarify roles and responsibilities for staff involved in the hiring of consultants: Updates and improvements to the form and content of the professional services agreement toolbox published on eCity will add clarity to the roles and responsibilities of Departments and Materials Management through all phases of the professional services agreement process. Other

communications strategies will also be employed to increase awareness of process roles and responsibilities.

Administration is confident that the implementation of the process enhancements outlined above will strengthen the governance associated with the City's use of consultants.

### **Policy**

The recommendation within this report complies with City Administration Bylaw 12005.

### **Focus Area**

Well Managed City

### **Others Reviewing this Report**

- Corporate Leadership Team