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TO:	CHAIR AND MEMBERS COMMUNITY SERVICES COMMITTEE MEETING ON MARCH 5, 2012
FROM:	ANNA LISA BARBON MANAGER, FINANCIAL AND BUSINESS SERVICES
SUBJECT:	STANDARD PURCHASE OF SERVICES AGREEMENT FOR COMMUNITY SERVICES

RECOMMENDATION

That, on the recommendation of the Manager of Financial and Business Services, with the concurrence of the Executive Director of Community Services, the attached proposed By-Law (Appendix A) **BE INTRODUCED** at the Municipal Council Meeting of March 20, 2012:

- (a) **TO APPROVE** the standard form for Purchase of Services Agreement (Schedule A) for Community Services;
- (b) **TO AUTHORIZE** the Mayor and City Clerk to execute the agreement approved in (a) above; and
- (c) **TO AUTHORIZE** the Executive Director - Community Services, to execute the Agreement approved in (a) above.

PREVIOUS REPORTS PERTINENT TO THIS MATTER

None.

BACKGROUND

Under the approved Procurement of Goods and Services Policy, a purchase order, contract record or agreement is issued to formalize the contract with the selected supplier. In addition to the standard corporate terms and conditions required for the purchase of services, the Community Services Department has historically augmented the standard provisions with specific terms, outcomes and fee schedules through the development of an agreement with the supplier. The process to develop and complete these agreements is duplicated in each instance as a new purchase is approved. The current process is inadequate for the following reasons:

- There is no consistency of agreements across Community Services.
- Each agreement developed and issued requires review by legal and risk management.
- The authority to sign the agreements has not been delegated to the Executive Director.

STANDARD FORM FOR PURCHASE OF SERVICES AGREEMENTS

In consultation with managers in Community Services, Risk Management, Legal and Finance, the attached Standard Purchase of Services Agreement for Community Services (Schedule "A") has been developed in order to bring consistency and standardization to the process of issuing contracts for the purchase of services. The use of this standard agreement will be for contracts approved and issued with a value between \$10,000 and \$50,000 in compliance with all applicable sections of the Procurement of Goods and Services Policy.

The development and use of a Standard Purchase of Services Agreement allows for consistency, mitigation of potential risk and ensures that corporate insurance requirements are met. This standardized contract meets the needs of Community Services and its community partners while protecting the interest of the Corporation.

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AUTHORIZED SIGNATURE

The Municipal Act provides that a municipal power be exercised by By-law. In order to administer the contract process, it is recommended that the authority to sign the contracts be delegated to the Executive Director - Community Services as requested in the attached By-law (Appendix "A").

FINANCIAL IMPACT

There is no direct quantifiable financial impact associated with the adoption of the recommendation contained in this report. However, it is anticipated that efficiencies will be realized through the adoption of a standard form as it is a more efficient and effective approach for Community Services administration and eliminates the need for ongoing review of contracts issued by legal, risk management as well as the execution of documents in the clerk's office. We estimate that on average, a corporate efficiency of approximately 3 hours per contract issued will be realized through the implementation of a standardized agreement.

SUMMARY

The adoption of the recommendations contained in this report will allow the Community Service Department to provide standardized contracts in a prompt and efficient manner while ensuring the Corporation is conducting business within the authority prescribed by the Municipal Act.

Acknowledgements

This report was prepared with the assistance of Janice Brown, Manager Financial Support, Financial and Business Services.

RECOMMENDED BY:	CONCURRED BY:
ANNA LISA BARBON MANAGER, FINANCIAL AND BUSINESS SERVICES DEPARTMENT OF FINANCE	ROSS L. FAIR EXECUTIVE DIRECTOR DEPARTMENT OF COMMUNITY SERVICES

- C. L. Marshall, Solicitor II
- J. Freeman, Manager, Purchasing & Supply
- M. Hayward, City Treasurer, Chief Financial Officer