

## **Procurement of 311 Toronto's Information Technology System - Lessons for Future Procurement Processes**

### **CONFIDENTIAL RECOMMENDATIONS – Made Public on September 14, 2012**

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The following Confidential Recommendations 1, 2, 5, 6, 8, 9 and 10 and the management responses to Recommendations 5, 6, 9 and 10, were made public on September 14, 2012 on the advice of the City Solicitor:

1. City Council request the Director, Purchasing and Materials Management Division and the Chief Information Officer to ensure all Request for Proposals for information technology capital purchases intending to contract out support and maintenance services clearly indicate that long-term support and maintenance costs are part of the cost evaluation. Long-term support and maintenance costs should be adequately evaluated as part of the Request for Proposal specified cost evaluation process.
2. City Council request the Director, Purchasing and Materials Management Division, to review and enhance the current Request for Proposal review process to ensure Request for Proposal call documents are adequately prepared to include clear and consistent specifications, evaluation criteria, and terms and conditions relating to all key aspects of the procurement.
5. City Council request the Director, Purchasing and Materials Management Division, to ensure that contract agreements with Fairness Monitors specify where possible the need for service availability until the conclusion of the entire procurement process.
6. City Council request the Director, Purchasing and Materials Management Division, to review and ensure that the Fairness Monitor pre-qualifying process includes an adequate review of each candidate's resume and employment history to avoid any actual or apparent conflict of interest.
8. City Council request the Director, Purchasing and Materials Management Division, to ensure adequate proposal evaluation processes are explicitly stated and detailed in the current purchasing policies and procedures in keeping with a fair and transparent procurement process.
9. City Council request the Director, Purchasing and Materials Management Division, in consultation with the Director, Corporate Finance Division, to ensure that Request for Proposals for significant dollar purchases are adequately evaluated to assess each proponent's financial viability. All documents pertaining to the financial viability evaluation are properly organized, retained, and disposed of in accordance with the City's record retention policy.

10. City Council request the City Manager to take the necessary actions to ensure that staff provide Council requested reports in a timely manner.

**Management's Response to the Confidential Recommendations to the Auditor General's Review of  
Procurement of 311 Toronto's Information Technology System – Lessons for Future Procurement Processes –  
Made Public on September 14, 2012**

<u>Rec No</u>	<u>Recommendation</u>	Agree (X)	Disagree (X)	<u>Management Comments:</u> <i>(Comments are required only for recommendations where there is disagreement.)</i>	<u>Action Plan/ Time Frame</u>
5.	<b>City Council request the Director, Purchasing and Materials Management Division, to ensure that contract agreements with Fairness Monitors specify where possible the need for service availability until the conclusion of the entire procurement process.</b>	X			<p>PMMD will review the guideline for setting up a roster for Fairness Consultants and the current Fairness Consultant roster to ensure that the hired Fairness Consultant will be available to provide service until the conclusion of the entire procurement process.</p> <p>Time Frame: October 31, 2012</p>
6.	<b>City Council request the Director, Purchasing and Materials Management Division, to review and ensure that the Fairness Monitor pre-qualifying process includes an adequate review of each candidate's resume and employment history to avoid any actual or apparent conflict of interest.</b>	X			<p>PMMD will review the guideline for setting up a roster for Fairness Consultants and the current roster for Fairness Consultants to ensure that the roster contains terms and conditions to review candidate's resume and employment history to avoid any actual or apparent conflict of interest and update the guideline and roster as necessary.</p> <p>Time Frame: October 31, 2012</p>

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<u>Rec No</u>	<u>Recommendation</u>	Agree (X)	Disagree (X)	<u>Management Comments:</u> <i>(Comments are required only for recommendations where there is disagreement.)</i>	<u>Action Plan/ Time Frame</u>
9.	<b>City Council request the Director, Purchasing and Materials Management Division, in consultation with the Director, Corporate Finance Division, to ensure that Request for Proposals for significant dollar purchases are adequately evaluated to assess each proponent's financial viability. All documents pertaining to the financial viability evaluation are properly organized, retained, and disposed of in accordance with the City's record retention policy.</b>	X			<p>PMMD, in consultation with the Director of Corporate Finance, will review the ability to evaluate a proponent's financial viability. If feasible, PMMD, in consultation with Corporate Finance, will develop guidelines for staff on including evaluation of proponent financial viability in the development of RFPs. PMMD will remind PMMD staff and Divisional Staff of the responsibilities to maintain proper records of the procurement process in accordance with the City's record retention policy.</p> <p>Time frame: March 31, 2013</p>

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<u>Rec No</u>	<u>Recommendation</u>	Agree (X)	Disagree (X)	<u>Management Comments:</u> <i>(Comments are required only for recommendations where there is disagreement.)</i>	<u>Action Plan/ Time Frame</u>
10.	City Council request the City Manager to take the necessary actions to ensure that staff provide Council requested reports in a timely manner.	X			<p>Through the corporate agenda forecasting process the City Manager and Deputy City Managers will communicate to Division Heads the expectation that directives received from Standing Committee and Council must be responded to in a timely manner.</p> <p>Time frame: June / July 2012.</p>