

### **Amendment to Blanket Contract 47018623 with Cornerstone on Demand Inc. for enterprise online learning**

**Date:** December 14, 2020

**To:** General Government and Licensing Committee

**From:** Chief People Officer and Chief Procurement Officer

**Wards:** All

#### **SUMMARY**

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The purpose of this report is to seek authority to amend Blanket Contract Number 47018623 issued to Cornerstone on Demand Inc. (CSOD) as a result of Request for Proposal (RFP) Number 3405-13-3008. The total amendment being requested will increase the Blanket Contract value by \$200,000 net of all applicable taxes and charges (\$203,520 net of HST recoveries)

This request for an increase in contract value is required to address an expenditure incurred as a result of the need to purchase online learning content for City staff earlier than planned. This expenditure was required as a result of the cancellation of all in-classroom learning as a result of COVID-19 pandemic restrictions. The online learning content was a critical component of the City's strategy to support the productivity, growth, resilience, health and well-being of all staff during an unprecedented time of anxiety and upheaval.

#### **RECOMMENDATIONS**

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The Chief People Officer and the Chief Procurement Officer recommend that:

1. The General Government and Licensing Committee, in accordance with Section 71-11.1C of the City of Toronto Municipal Code Chapter 71 (Financial Control By-law), grant authority to amend Blanket Contract Number 47018623 and increase the value of the contract by \$200,000 net of all taxes (\$203,520 net of HST recoveries), revising the Blanket Contract value from \$2,725,300 to \$2,925,300 net of all applicable taxes and charges (\$2,976,785 net of HST recoveries) and authorizing the Chief People Officer to execute an amending agreement with Cornerstone on Demand.

## **FINANCIAL IMPACT**

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There are no financial impacts arising from the approval of this report. The total value of this Blanket Contract Amendment is \$200,000 net of all applicable taxes and charges (\$203,520 net of HST recoveries), revising the value of the Blanket Contract from \$2,725,300 to \$2,925,300 net of all applicable taxes and charges (\$2,976,785 net of HST recoveries).

As a result of the cancellation of in-class training, funding for the contract amendment is included in the Operating Budget of the City Manager's Office in 2021, and will also be included in budgets submitted for council approval in subsequent years. This is effectively a re-allocation of funds that would otherwise have been spent on in-class learning.

The Chief Financial Officer and Treasurer has reviewed this report and agrees with the financial impact information.

## **DECISION HISTORY**

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At its meeting on August 7, 2013, the Bid Committee approved awarding RFP 3405-13-3008 to Cornerstone on Demand for the Supply, Delivery, Implementation and Support of an Enterprise eLearning Initiative – Learning Management System.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2013.BD136.9>

## **COMMENTS**

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In 2013, a competitive RFP was issued and a contract was subsequently awarded to Cornerstone on Demand (CSOD), for an enterprise-wide learning management system (LMS). The master agreement and contract with CSOD included an initial three year term, with five optional one year renewal periods. This contract is expiring on December 31, 2021, and the City is now entering into the final option year.

The first Blanket Contract Amendment was issued on August 14, 2017 for \$500,000 net of all applicable taxes and charges. The amendment was required in anticipation of expanding LMS capabilities for future functionality. Following that, the city began planning for future enablement of online performance management, succession management, development planning and assessments over a period of years. There was also contemplation of expanding online learning content. As this contract amendment explains, this procurement had been planned in future development but was brought forward to this year to address needs presented as a result of COVID restrictions.

The current amendment request for an additional \$200,000 net of all applicable taxes and charges represents a functionality that enables staff to access different modalities of learning offered through the City's learning catalogue (among other talent

management capabilities within the system). It enables access to remote learning content available through an online learning library. The City had been gradually transitioning to more online learning offerings, however in-classroom learning had been the primary channel of learning delivery up to the beginning of 2020.

In March of 2020, as attendance at city work locations was discouraged or prohibited due to COVID related restrictions, all in-person learning for city staff was suspended. In order to continue to provide development opportunities, as well as required skills training for staff primarily working remotely or prohibited from attending most City work locations, the City procured an additional, more robust online learning library from CSOD.

As the pandemic repercussions intensified, remote learning capability was critical in rolling out safety guidance and supporting employee mental health. Numerous modules including courses on managing a remote workforce and coping with stress were made available to staff and management.

The unanticipated need to rapidly accelerate the transition from in-class learning to online learning in response to the pandemic in 2020, has resulted in a need to increase the contract limit by \$200,000 net of all applicable taxes and charges (\$203,520 net of HST recoveries), to allow for the continued provision of enhanced virtual learning and talent management solutions to the organization in 2021.

While pandemic emergency response was a primary driver of the unexpected increase in expenditure in 2020, the move to more online learning also aligns with the goals of the ModernTO initiative. As the city begins to rationalize its real estate portfolio and create more adaptive and flexible work places, online talent management solutions will become a critical driver of investment in learning and development.

Online learning content in the LMS allows employees to access high-quality, targeted learning around the clock, wherever they are situated. CSOD partners with world class eLearning vendors to offer comprehensive professional development and skills training to employees at all levels. The City was able to leverage that content in 2020 and will continue to do so in 2021.

## **CONTACT**

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## **SIGNATURE**

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Chief People Officer

Michael Pacholok  
Chief Purchasing Officer