

REPORT FOR ACTION

Purchasing and Procurement System

Date: January 19, 2023

To: Board of Governors of Exhibition Place

From: Don Boyle, Chief Executive Officer

Wards: All

SUMMARY

Staff were advised by the City of Toronto that its Request for Purchasing Goods and Services ("RPGS") used by Exhibition Place is coming to its end of useful life as the City moves to full integration within its current SAP environment. This change will occur in late spring 2023 and therefore the City will stop supporting users of RPGS.

In March 2022, staff reviewed four software systems with the aim to worked towards replacing RPGS and improving our procurement, purchasing, and related processes.

A Statement of Work was done with PairSoft, a third-party partner working with our current provider for our financial and reporting systems. PairSoft role was to work with Exhibition Place to implement a fully integrated purchasing solution with our ERP System, Microsoft Great Plains.

In the winter of 2022 Exhibition Place implemented a new e-Procurement Portal with Bonfire Interactive (Bonfire), making the procurement process for vendors more efficient and easier for companies to submit Request for Quotations and Request for Proposals including the evaluations.

RECOMMENDATIONS

The Chief Executive Officer recommends that:

1. The Board receive this report for information.

FINANCIAL IMPACT

There are no negative financial implications resulting from the adoption of this report. One time cost for Bonfire is \$2,000 for professional services, training, and

implementation, and \$5,500 for annual fees. One time cost for PairSoft is \$17,600 for professional services, training, and implementation, and \$19,000 for annual dues.

DECISION HISTORY

The Exhibition Place 2022 – 2026 Strategic Plan has a Strategic Goal to Ensure Competitively Priced Services and Sustainable Operations; includes reviewing current systems and agreements which is especially important to support growth of business.
<https://secure.toronto.ca/council/agenda-item.do?item=2022.EP24.12>

At its meeting of February 11, 2020, the Purchasing and Expenditure review was considered by Board of Governors of Exhibition Place and adopted with amendments.
<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.EP8.12>

Staff were advised by the City that its Request for Purchasing Goods and Services RPGS (RPGS) is coming to its end of useful life as the City of Toronto moves to full integration with SAP. This will occur in late spring 2023 and will stop supporting RPGS.

In Fall 2022 Exhibition Place partnered with Bonfire Interactive for a new e-Procurement Portal.
<https://gobonfire.com/the-solution-for-running-bids-and-rfps/>

In December 2022, staff signed statement of work with PairSoft for the implementation of the fully integrated purchasing and requisition solution.
<https://www.pairsoft.com/integrations/microsoft-dynamics/>

COMMENTS

Bonfire Interactive - eProcurement Portal

Exhibition Place has partnered with Bonfire Interactive and has created a new procurement portal on our Exhibition Place website, which will allow interested firms/vendors to access procurement opportunities, download RFx documents, and submit bids and proposals to Exhibition Place digitally, without charging any fees. Submitted bids and proposals can then be evaluated online by the Selection Committee, which will streamline the procurement and award process. Staff believe this will create great synergies and efficiencies.

Our previous process included posting Procurement Calls and Opportunities on MERX, a government website, which is useful for large, major projects, but also charges a subscription fee for vendors using the service to download RFx documents and the capability of submitting bids. With Bonfire, there are no fees charged to the vendors for using the service, based on the wide variety of projects that Exhibition Place does advertise, we will be able to reach a much wider and diverse vendor market.

Other benefits of Bonfire Interactive include ease of use, internal controls, secure site demonstrating transparency as bidders cannot submit bids once the bid deadline has

passed and staff are not able to view any bids until after closing, thus maintaining the integrity and confidentiality of the procurement process.

Staff believe that all these factors will improve the quality and quantity of companies bidding, and with the Bonfire tools available, will streamline and improve the efficiency of the procurement and award process.

Early indications are positive, Bonfire is reaching a much broader audience. As a result of implementing Bonfire, in which we posted our first procurement opportunity in November 2022, it generated great interest in our RFP and we had a large number of qualified firms (31) downloaded our document, with 12 firms attending the mandatory information meeting and site visit, and 10 firms have expressed an intent to bid. Historically, when posting on MERX, we have received little interest, with an average of 2-4 firms attending the mandatory meetings, and most recently, only receiving 1-2 bids on our procurement opportunities through MERX.

PairSoft - Integrated Requisition and Purchasing Software

As part of streamlining the purchasing and requisitioning process, staff embarked on a review of purchasing software. Staff selected PairSoft and signed the statement of work. PairSoft is a fully integrated purchasing solution with our current ERP system Microsoft Great Plans. Other benefits are:

- 1) Generate and view Purchase Requisitions, Purchase Orders, Receipts, and Invoices in real time, without manual tracking.
- 2) Real time budget and spend monitoring.
- 2) Flexible General Ledger account distributions and allocations.
- 3) Mobile and email approvals of requisitions.
- 4) Centralized receiving and invoice matching (full or partial amounts).
- 5) Audit controls and logs.
- 6) Analytics and reporting.

Our current requisitioning and purchasing software is RPGS (Request to Purchase Goods and Services). It has been in place since 2018, and although useful for entering requisitions and processing purchase orders and payments, it has many challenges as information required from the system is unavailable and requires manual tracking and records maintenance. The RPGS system is supported by the City of Toronto, and we have been advised that it is coming to its 'end-of-useful-life' and the system and support will be discontinued in spring 2023.

The inefficiencies of RPGS were magnified through the City of Toronto Internal Audit, in 2019 with the review of the Purchasing and Expenditures Process Controls. This review, as part of our continuous review process of key business processes magnified the limitations of RPGS as there were no report writing capabilities to support staff in decision making on purchase order spend and other ad hoc requests.

CONTACT

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SIGNATURE

Don Boyle
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