

Audit of Contract Management Practices Management (Action Plans) Responses

Management Responses completed by: René Quirouette, Director – Administration Division
 As of: June 15, 2004

Audit Recommendation		Management Response	Responsibility Centre	Due Date
Contracting Deficiencies				
It is recommended that:				
1	A written document be formally addressed to all users of contract services setting out specific practices that have occurred in the past which require correction in the future	Agreed. Over the last year, the Materiel Manager has been meeting with the management teams of key clients to communicate our need to be involved early in any process that is expected to lead to a contract. The message has gotten through to the clients regarding the importance of developing appropriate contracting strategies and processes and those clients are now responsive to the need to improve on our contracting deficiencies, effectively resolving the majority of the problems which we identified in the audit. The consultations with the user groups will continue until all clients have been sensitized to the issues. As a means of obtaining management's commitment to ensuring compliance with our contracting processes and policy, this audit report and management response will be tabled with the SSHRC Management Committee, NSERC Operations Committee and NSERC Management Committee for discussion and approval.	<ul style="list-style-type: none"> ➤ Materiel and Contracting Manager ➤ Director of Administration 	Fall 2004
2	The Materiel and Contract Management section increase contact with user groups to be aware of planned procurement so that appropriate contracting strategies can be better planned and that contracts can be better managed			
3	Business practices including up-front consultation with, and training of, client groups be improved on a proactive basis to ensure compliance with contracting process and policy			
4	When the Materiel and Contract Management section is faced with an apparent unacceptable practice then this matter be communicated to the Director, Administration in writing for managerial action	Agreed. The Materiel and Contract Management team will identify any unacceptable practice to the Director of Administration for appropriate action.	<ul style="list-style-type: none"> ➤ Materiel and Contracting Team ➤ Materiel and Contracting Manager ➤ Director of Administration 	Ongoing

	Audit Recommendation	Management Response	Responsibility Centre	Due Date
5	A semi-annual report be developed on contracting deficiencies that occur and this report be submitted to the Director General, CASD for tabling and discussion at an appropriate Management Meeting	Agreed. A report on contracting will be prepared for the Director General of CASD on a semi-annual basis.	<ul style="list-style-type: none"> ➤ Materiel and Contracting Team ➤ Materiel and Contracting Manager ➤ Director of Administration 	Ongoing
<i>Information Gathering and Reporting</i>				
It is recommended that:				
6	The Materiel and Contract Management section implement and manage a data base on contracts processed on an Excel spreadsheet to provide information for analytical, managerial and reporting purposes	Agreed. An Excel spreadsheet as proposed in the report has been implemented.	<ul style="list-style-type: none"> ➤ Materiel and Contracting Manager 	Completed
7	The new "Monthly Contract Report" being developed be reviewed in terms of user (client) suggestions, and that consideration be given to condensing for more economical data capture and easier client use	In consultation with users, the Materiel and Contracting Manager will develop a new method of communicating contracting activities to clients which adds value to the contracting process.	<ul style="list-style-type: none"> ➤ Materiel and Contracting Manager 	March 2005
<i>Delegated Authority to Initiate the Contracting Process (Section 32 FAA)</i>				
It is recommended that:				
8	The Materiel and Contract Management section work with user groups to find a clear vehicle to exercise unambiguous responsibility for the delegated commitment authority under Section 32, FAA.	Agreed. The Materiel and Contract Management team will work with the Accounts Payable team to review, develop and implement an appropriate process which will ensure that delegated authority under section 32 of the FAA is clearly executed and documented in our files.	<ul style="list-style-type: none"> ➤ Materiel and Contracting Manager ➤ Manager of Accounts Payable 	Fall 2004

Audit Recommendation		Management Response	Responsibility Centre	Due Date
<i>Contractor Performance Evaluation</i>				
It is recommended, with reference to Sections 16.11.8 and 16.11.9 in the TB, Contracting Policy that:				
9	An appropriate template be developed so that standard information can be compiled on the performance of each contractor	Management agrees with these three recommendations and as such, will develop a contractor evaluation process which is appropriate to the Council's contracting function.	➤ Materiel and Contracting Manager	March 2005
10	The contractor receive a copy of this performance critique and be allowed to respond for the record			
11	The documented information on contractor performance be accumulated in a data base with appropriate accessibility to enable effective selection of contractors and/or contract provisions to better ensure the intended contractor performance			
<i>Resourcing in the Materiel and Contract Management Section of CASD</i>				
It is recommended that:				
12	A review be conducted of the Materiel and Contract Management section to develop a clear understanding of the evolving environment and skill sets necessary to provide a proactive, consultative approach to providing contracting services in this environment	Agreed. A review of the Materiel and Contracting function will be undertaken with a view of identifying the complexities of this constantly changing environment and identifying the necessary competencies required to deliver such a function. Clients of the service will be involved throughout the process.	<ul style="list-style-type: none"> ➤ Materiel and Contracting Team ➤ Materiel and Contracting Manager ➤ Director of Administration ➤ Users ➤ Human Resources 	March 2005
13	All new factors that add to the complexity of contracting be identified and a response developed for each in terms of how the skill set can be made available			
14	Client service users in NSERC and SSHRC be consulted to determine what their service vision is for the Materiel and Contract Management section			

Audit Recommendation		Management Response	Responsibility Centre	Due Date
<i>Work Service Standards</i>				
It is recommended that:				
15	Work service standards be developed for the Materiel and Contract Management section and these standards be adjusted as appropriate and formalized after input from user groups	Agreed. In consultation with user groups, the Materiel and Contracts Management section will prepare a service level agreement based on the model recently completed by ISD. Management feels this SLA will not only define the sections' service levels, but also clearly set expectations on the responsibilities of the users of the service.	<ul style="list-style-type: none"> ➤ Materiel and Contracting Manager ➤ Director of Administration 	May 2005