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1.0 Purpose & Goals Description

The purpose is to provide clear requirements for procurement of consultant services and a direction with respect to lobbyists. The goals are to provide common leading practices, standards, process and behaviours of transparency, accountability and fairness as required through legislation.

2.0 Definitions

- 2.1 Consultant and Consultant Service Provider:** refers to an individual, company, contractor or entity that anticipates to provide or does provide consulting services under an agreement, other than an employment agreement, provides expert or strategic advice and related services for consideration and decision-making, (e.g. an individual or organization engaged to develop a communications strategy, to develop a training plan for the organization). Examples of Consultant or CSP are:
- Management consulting (Help to improve performance, primarily through the analysis of existing problems and development of plans for improvement. This includes organizational change management assistance and strategy development);
 - Information Technology consulting (Advisory services that help the

hospital assess different technology strategies, including aligning their technology strategy with their business or process strategy);
Technical consulting (Strategic advice related to actuarial science, appraisal, community planning, employment/placement, engineering, health sciences, interior design, realty, social sciences, etc.);
Policy consulting (The provision of advisory services to provide policy options, analysis and evaluation);
Communication consulting (The provision of strategy and advice in conveying information through various channels and media);
Professional services e.g. Architect, engaged to develop a ten year strategy;
IT e.g. An organization is engaged to develop an IT strategy
Operations e.g. an individual or organization is engaged to assess operational performance;
Executive management e.g. an individual is engaged to advise the executive team on communicating to the media;
Employment e.g. an individual is engaged on retainer to provide ongoing expertise to the organization.

The consultant service will be that of a Supplier of service and bound by SJHH's Supply Chain Code of Ethics.

- 2.3 Non-consulting Service Provider:** is an individual/company who contracts to provide services, other than consulting services to another individual or business (e.g. property broker, head hunter, trainer, engaged to design a newsletter, to develop and deliver a specific training program). The non-consulting service provider provides a service that has specific parameters or the work is prescribed in a box. For further clarity examples include:
Professional services e.g. Architect, engaged to design a specific building;
IT e.g. an individual engaged to create a data base that will support an IT Implementation;
Operations e.g. an individual or organization engaged to implement process improvements on specific operational processes;
Executive management e.g. an individual is engaged to facilitate executive team building sessions;
Employment e.g. a contract specialist is engaged on a temporary basis to manage a specific RFP but is not on the payroll.

The non-consulting service will be that of a Supplier of service and bound by SJHH's Supply Chain Code of Ethics.

- 2.3 Healthcare Professional:** refers to any associate, affiliate, employee, researcher, physician or learner at SJHH.
- 2.4 Lobbyist:** means an individual who acts as a consultant lobbyist within the meaning of section 4 of the Lobbyist Registration Act, 1998

3.0 Equipment/Supplies

None

4.0 Policy:

4.1 Principles

- 4.1.1** Any and all consulting services will be under contract. The contract, irrespective of the value of the agreement, will be created after the completion of the competitive process, be open and transparent, have a start and end date, and have fixed ceiling costs assigned to the project. Follow-on agreements will require administrative approval. The perception of unfair, biased or favoritism decision-making and questionable use of funds shall be avoided.
- 4.1.2** Consulting services do not include:
- a) services for which the physical component of an activity would predominate such as services for the operation and maintenance of a facility, temporary help services, and training/education instructors,
 - b) services provided by licensed professional services provided by medical doctors, dentists, nurses, pharmacists, engineers, architects, chartered accountants and lawyers acting in their regulated capacities.
- 4.1.3** Consulting services will be categorized under:
- C1 Consulting services**, contracted consultant service for the provision of expertise or strategic advice for consideration and decision-making,
- C2 Consulting services**, contracted consultant service that supports the day-to-day operations of the organization and is not in the capacity of strategic advice for consideration and decision-making (e.g. training, testing, implementation, maintenance),
- C3 Consulting services**, contracted consultant for a project or body of work that is not a service provided in the capacity of strategic advice for consideration and decision-making.
- 4.1.4** As a designated broader public sector organization that is a publicly funded organization, Lobbyists will not be funded or engaged by the hospital.
- 4.1.5** Reporting requirements (content, form, manner and timing) on the use of consultants and their expenses shall be conducted. This includes the public posting of all expense information.
- 4.1.6** Contract management policy governs any consultant service agreement.
- 4.1.7** A ceiling price must be established in the agreement over the term of the agreement with successful suppliers of consulting services. Any increase in the ceiling price must be approved by an administrator of the hospital once the framework used to confirm that the increased supplier costs are justified and how continued

value for money will be achieved. Expenses must also be included in costs.

4.2 Principles

4.2.1 Reporting

Reporting shall occur at every level of the SJHH organization up to the senior management team who will report to the Board of Trustees at least bi-yearly. When required, external reporting will be complied with.

4.2.2 Allowable Exceptions

- a) where an unforeseen situation of urgency exists and the consulting services cannot be obtained by means of a competitive procurement process. An unforeseen situation of urgency does not occur where failure to allow sufficient time to conduct a competitive procurement process.
- b) where consulting services regarding matters of confidential or privileged nature are to be purchased and the disclosure of those matters through a competitive procurement process could be reasonably be expected to compromise confidentiality
- c) where there is an absence of any bids in response to the competitive procurement process that has been conducted
- d) where only one Supplier is able to meet the requirements of a procurement

4.2.3 Terms of Reference

Clear term of reference for the consulting assignment, including objectives, background, scope, constraints, responsibilities, tangible deliverables/results, timing, progress reporting, approval requirements, and , where applicable, knowledge transfer requirements must be established.

4.2.4 Assignment Substantiation

Consulting services must not be procured when existing internal resources are available for the assignment. Documentation must support a decision to do otherwise. Assignments must be well defined or properly justified before consultants are engaged.

4.3 Responsibilities

4.3.1 Any SJHH Healthcare Professional is accountable to ensure that contract management guidelines and process are followed as per policy and that transparency and fairness without conflict are undertaken as per the Supply Chain Code of Ethics.

4.3.2 Every department or program that performs any procurement

role shall track and submit required information or documents to the Purchasing Department on a monthly basis. The information and documents include:

- a) a spreadsheet of procurement activities that include the competitive process utilized, the details of the procurement that define the service, the Supplier by name, the term, the value of and the Purchase Order number, and
- b) a copy of the signed agreement

- 4.3.3** Administrator or project coordinator must co-ordinate, monitor and control the combined efforts of internal and external resources to ensure the satisfactory completion of consulting assignments on schedule and within budget. Assignment substantiation must be considered and a transfer of knowledge must occur from consultant to staff to avoid continuous reliance on consultants.
- 4.3.4** Administrator or project coordinator must manage consultant performance.

5.0 Procedure:

5.1 Consultant or Consulting Service Contract

- 5.1.1** A consultant or consultant services agreement will be used for all consulting services. The updated template will be located on the Purchasing Department intranet site.
- 5.1.2** The terms and conditions must be explicit with respect to responsibilities, expectations, including reimbursement of expenses, scope of work and payment schedule for deliverables or milestones achieved/delivered.
- 5.1.3** Assignments are to be well defined and properly justified before the consultant is engaged.
- 5.1.4** The contract must be endorsed by both parties and submitted to the Purchasing Department with a completed requisition to allow the completion of a Purchase Order before service begins. The Purchase Order may also be complete by those departments who perform a procurement role.

5.2 Consultant Requirements

- 5.2.1** A consultant must sign a conflict of interest declaration. Remediation for procurement improprieties such as inappropriate conduct or conflict may ban the consultant from contracts for up to five years.
- 5.2.2** A consultant must provide original receipts with all expenses submitted to SJHH and comply to the SJHH Consultant or Supplier Expenses/Fees policy.

6.0 Documentation

Completion of the spreadsheet for procurement activities by any department who performs a procurement role and a signed agreement for any consulting service by any healthcare professional who endorses/signs the contract.

7.0 References

7.1 Internal References

7.2 External References

Management Board of Cabinet Procurement Directive, July 2009

BPS Supply Chain Guideline, Version 2, April 2009

Bill 122 enacted as Chapter 25 of the Statutes of Ontario/Broader Public Sector Accountability Act, 2010

Section 4 of the Lobbyist Registration Act, 1998

Local Health System Integration Act, 2006

Public Hospitals Act

Auditor General of Ontario Report 2010, ISBN 978-1-4435-4642-0

Management Board of Cabinet Procurement and Expenses Directives, April 1, 2011

8.0 Sponsors

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9.0 In Consultation With

None

10.0 Posting Dates

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11.0 Attachments/Appendix

None