Memo

To: Senior Executive Officers/Executive Officers

From: Trudy Pound-Curtis, AVP Finance and CFO and Renata Faverin, Director, Procurement Services

Date: July 14, 2010

Subject: Framework for the Engagement of External Consultants

Consistent with the need to demonstrate transparent, fair and ethical business practices, the University is releasing the attached Framework for the Engagement of External Consultants. The engagement of these services must be done within the parameters of the University's Policy and Procedure on the Procurement of Goods and Services and the Framework provides clear direction to the University community to ensure compliance. This Framework applies to all Faculties and Departments and to expenditures from all University Funds (i.e. special purpose, capital, operating, and research).

The University recognizes the need for engaging the services of external professionals when: the nature of the work cannot be performed by internal employees, the expertise required is not available from within the University, or the work must be performed by external service providers as mandated by applicable legislation. To facilitate the acquisition of these specialized services, the University has identified three (3) external consulting categories as follows:

- Licensed Professionals
- Services for Resale
- General Consultants

Each of these categories carries procurement obligations and requires compliance. In this memo, we have highlighted key concepts that must be adhered to when engaging these service providers as follows:

- external consultants must not be hired when the work should be performed by University employees
- when external consultants are deemed appropriate, they must not be treated as internal employees (i.e. must not be provided with a University email address, titles or be given the authority to make decisions on behalf of the University)
- consulting assignments should be for non-recurring projects with clear end dates, and would normally be limited engagements (i.e. 3 to 5 months in length)
- external consultants must be engaged through an open, fair and competitive process if the expected total value of the engagement exceeds $10,000 in a fiscal year
- units/departments have delegated authority to source external consultants provided the total value of the engagement does not exceed $10,000 in a fiscal year
• requesting appropriate insurance and WSIB must be considered to mitigate risk to the University
• conflict of interest situations must be avoided
• contracts must be signed between the parties and authorized according to the University Signing Authority Policy and Register
• renewals or extensions will only be permitted if the original contract was the result of a formal competitive bid process and is outlined by explicit language in the bid call
• payment terms must be consistent with standard University policies (i.e. payment after services are rendered and NET 30 following receipt of original, approved invoices).

We would ask that you circulate this memo and the attached document to anyone in your Faculty/Department engaged in the acquisition of these services.

This framework has been developed in consultation with the University community, and was presented at SAGE and the Finance Forum earlier this year. Training opportunities on this framework will be provided in the Fall.

Questions or assistance related to this initiative may be referred directly to: Renata Faverin, Director, Procurement Services (extension 30545, or at rfaverin@yorku.ca).

Thank you for your continued support and cooperation.