

**GUIDELINES FOR THE ENGAGEMENT OF EXTERNAL CONSULTANTS/PROFESSIONAL SERVICES AT
MEMORIAL UNIVERSITY**

INTENT:

1. To ensure due diligence and consistency is followed in the solicitation, selection, contract negotiation, and evaluation of external consultants.
2. To ensure an appropriate solicitation of the consultancy market is done based on the size and complexity of the project at hand.
3. To ensure proposals from consultants are objectively and thoroughly evaluated in order to achieve best value for the University.
4. To ensure that contractual issues are adequately addressed to fulfill the requirements of the project and mitigate risk to the University.
5. To ensure that consultants performance is evaluated for consideration in future assignments.

DEFINITION:

External consultants for the purposes of these guidelines are organizations or individuals who provide professional services that require the giving of an opinion, creativity, the preparation of a design, or technical expertise. Specific professional services as defined under the Public Tender Act of Newfoundland and Labrador are legal, engineering, architectural, accounting, land surveying, banking, insurance, and voice telephone; however this list is not all inclusive. Under the Banner Finance system professional services are coded under account activity code 7530, more specifically:

- 75300 – legal fees
- 75301 – architect fees
- 75302 – consultant fees
- 75304 – audit fees

These guidelines are not intended for the selection of prime consultants for major capital projects as there is a policy currently in place to guide that process.

As well, these guidelines are not necessarily intended to apply to services provided of an academic or research nature such as guest lecturers, research contracts, etc. However they may be followed if they could be beneficial to the particular situation.

FUNDING:

The approval of expenditures for consultant services will follow the normal approval requirements for expenditures as outlined in the Financial and Administrative Services policies. An estimated budget amount for the consultant services should be prepared and used for evaluation against any proposals

received. When it is perceived that it could be advantageous to the University, the amount of funding available could be disclosed to those consultants submitting proposals.

SOLICITATION OF PROPOSALS:

The quotation thresholds outlined in the Financial and Administrative Services Purchasing Policy do not apply when soliciting quotations for professional services which are exempt from the Public Tender Act.

It is normally advisable to seek multiple proposals for consultant services to allow for adequate evaluation of the work being proposed. However the nature of the project or available expertise may not permit this.

The following financial expenditures should be used as guidelines to determine the number of proposals that will be sought:

1. Under \$50,000 – if total expenses are not estimated to exceed \$50,000, a request for proposals is not necessary. Direct negotiation may occur with a consultant that is known to have the necessary expertise to perform the work.
2. \$50,000 up to \$100,000 – a limited call for proposals should be issued. A limited call would mean contacting at least three consultants known to have the necessary expertise to perform the work.
3. \$100,000 and over – a public call for proposals should be issued.

TERMS OF REFERENCE:

A request for proposals should include a terms of reference for the work to be performed by a consultant. Terms of reference should include:

- ✓ The background leading to the project.
- ✓ The objective that the project is intended to achieve.
- ✓ The scope of the project, i.e. the range, extent, bounds, and parameters of the work to be performed.
- ✓ Any constraints to which the work will be subject to.
- ✓ Details of what support the University will provide.
- ✓ The manner in which documents must be submitted.
- ✓ Timelines for completion of the project, including any individual stage timelines.
- ✓ Budget limitations if deemed beneficial.
- ✓ Any progress, approval, or acceptance requirements.

An RFP template is attached as Appendix "A". This template can be used to guide users through standard inclusions in an RFP.

EVALUATION OF PROPOSALS:

Using appropriately weighted evaluation criteria to rank proposals is an objective process that should be considered. The evaluation criteria to be used should be made available to any consultant submitting a proposal. The following is a list of general evaluation criteria that could be used:

- ✓ Experience of the firm in performing work of a similar nature.
- ✓ Experience of the personnel who will be assigned to the project.
- ✓ Ongoing availability of the personnel who will be assigned to the project.
- ✓ Familiarity of the consultant with Memorial, the particular University unit, or the particular project at hand.
- ✓ Access to specialized resources outside of the consulting firm.
- ✓ The ability of the consultant to meet the project timelines.
- ✓ The quality of the project plan proposed.
- ✓ Stability of the firm.
- ✓ References from previous clients.
- ✓ Potential for knowledge transfer to the University.
- ✓ Cost of services.

Further information should be obtained from proponents during the evaluation process to clarify an issue or provide more detail.

Memorial University is committed to the principles of employment equity and is subject to the provisions of the Federal Contractors Program. Although this program applies to contractors hired by the Federal Government, Memorial can further its commitment by ensuring the employment practices of consultants it hires are compatible with these principles.

CONTRACTUAL CONSIDERATIONS:

Once a consultant has been selected, a contract should be formalized and reviewed by Legal Counsel if appropriate. The following is a list of contractual considerations:

- ✓ Nature and scope of the work to be performed
- ✓ Financial considerations
- ✓ Term of contract
- ✓ Non-performance considerations
- ✓ Termination considerations
- ✓ Delay considerations
- ✓ Definitions
- ✓ Ownership of documents, materials, or intellectual property
- ✓ Privacy and confidentiality schedule (see ATIPP office)
- ✓ Record keeping requirements
- ✓ Indemnification and liability requirements
- ✓ Insurance requirements
- ✓ Reassignment of work or sub-contracting approvals
- ✓ Clarification of employment/independent contractor status of the consultant with Memorial
- ✓ Adherence to legalities

- ✓ Applicable legal jurisdiction
- ✓ Dispute mechanism
- ✓ Holdback mechanism

EVALUATION OF PERFORMANCE:

The performance of the consultant should be evaluated at the end of the project, provided to the consultant, and documented for future reference. This performance evaluation should be reviewed and considered when the consultant submits future proposals.

The evaluation itself should address the deliverables as outlined in the project terms of reference and the formal contract.

APPENDIX "A"

The following is a template for a Request for Proposals that includes standard requirements, terms of reference, and conditions.

TITLE:

The name of the RFP.

DESCRIPTION:

A statement or description of the situation that has lead to the RFP and the objective that the project is intended to achieve.

SCOPE:

A description of the work to be performed, divided into stages if required. Included here would be the range, extent, or boundaries of the work and any indicators of satisfactory completion. Constraints that the work will be subject to and the level of support provided by Memorial should also be noted.

REPORT SUBMISSION:

Instructions for the content, format and deadline for any reports required.

EVALUATION OF PROPOSALS:

A list of the criteria that will be used to evaluate the proposals submitted.

BUDGET:

The maximum funds available for completion of the work (if deemed beneficial to publicize)

SUBMISSION OF PROPOSALS:

Instructions on whom/where the proposal submission is to be sent, in what format, and the deadline.

TERMS AND CONDITIONS:

Standard terms and conditions used by Memorial when accepting quotations for goods or services. Contact Financial and Administrative Services for appropriate documentation.