

BCTS Contract Practices Audit - Prince George Business Area
Audit Recommendations and Associated Action Plan
July 2006

No.	Recommendations	Required Actions	Assigned To	Target Date
1	The Prince George Business Area (PGBA) should share its new management reporting procedures, including electronic templates, with the Contract Efficiencies Working Group (CEWG) for other business areas to adopt as a best practice.	Operations Team to review concept document and workbook and then provide material to Bryan Wesleyson, Chair of the Contract Efficiencies Working Group.	Steve Webb, Operations Manager and Operations Team.	December 31/06
2	To help support and strengthen the role of Contract Coordinators, the PGBA should:			
	(a) Require Contract Coordinators to prepare contract specific monitoring plans for large complex contracts;	Review Standard Operating Procedure regarding quality assurance.	Steve Knowles for Mackenzie Field Teams and Gord Robertson for Prince George.	November 30, 2006
	(b) Ensure appropriate detailed information is provided in support of invoices associated with unit-based contracts, and encourage Resource Clerks to provide oversight that such information is received along with invoices;	Resend e-mail that Norm Bilodeau distributed to Leadership Team. Ensure that requirement for back-up documentation is in our contract documents.	Resend e-mail=Deborah Whyte Contract=Ross Knudson	November 30, 2006
	(c) Ensure contract Coordinators document and retain on file the basis of their assertion that services have been satisfactorily received;	No force receiving in iprocurement as per policy.	Steve Webb to discuss with Gord Robertson re multiphase contract in Prince George Field Team(s).	November 30, 2006

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	(d) Ensure Contract Coordinators regularly review contract status, contractor performance and any potential contract issues with Contract Officers, including the satisfactory performance of goods and services received in accordance with contract monitoring plans (where applicable); and,	Contractor evaluations to be done for all contracts and original placed on contract file. It is preferred that these evaluations be done in person with the contractor and in all cases a copy of the evaluation is to be provided to the contractor.	Leadership Team to message out. All Contract Coordinators and Contract Officers to ensure compliance.	Immediately
	(d) Ensure that Contract Coordinators' contract training requirements (competencies) include contract management training to the "working knowledge level" and are incorporated into their Employee Performance & Development Plans (EPDP's).	To be assessed by individual supervisors.	All supervisors	Within 4 months of start date
3	To ensure contracts do not become so large that they are not able to be prudently managed with resources available, BCTS should consider developing policy to promote contracting practices that appropriately balances the risks and benefits such as the need for BCTS to:	1 (a) - 1 (c) Refer to the Timber Sales Leadership Team as these issues are not specific to just our Business Area.	Ian Hamann to TSLT	December 31, 2006
	(a) Achieve its operational goals;			
	(b) Ensure effective contract management; and,			
	(c)Promote a stable and continuing contractor community.			

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4	The Business Officer should assume a greater leadership role with respect to contracting and ensure that the business area has in place an effective contracting accountability and performance management framework.	Random quarterly audits to be done on PGBA contracts.	Deborah Whyte	Quarterly
5	To reduce contract administration costs, the PGBA should consider:			
	(a) Developing a single comprehensive pre-qualified contractor eligibility list for all work areas;	Expand areas to include Engineering and Silviculture as well as Business Area wide eligibility lists.	Steve Webb, Operations Manager and Operations Team.	March 31, 2006
	(b) Jointly developing its pre-qualified contractor eligibility list with neighboring business areas, for some work areas; and,	Refer to Timber Sales Leadership Team	Ian Hamann to TSLT	March 31, 2006
	(c) Using contracted resources to establish and maintain lists.	Will look into	Steve Webb, Operations Manager and Operations Team.	December 31, 2006
	The PGBA should increase its use of Invitations to Quote, where appropriate, for works/services up to \$100,000.	To be considered	Steve Webb, Operations Manager and Operations Team.	December 31, 2006

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	The Contract Efficiencies Working Group should investigate whether a single form of security/holdback can be utilized to achieve the ministry's risk-management objectives associated with contractual third party holdbacks and performance security deposits. Administration would be least if performance security deposits were applied to fulfill contractual third party holdback requirements (if viable).	Refer to Timber Sales Leadership Team	Ian Hamann to TSLT and Contract Efficiencies Working Group.	December 31, 2006
	The PGBA should utilize operational services contracts for multi-phased development services, in accordance with ministry policy.	Done. Issue was with the two Prince George multiphase contracts and both are in the last year of renewal.	Steve Webb, Operations Manager and Operations Team.	Immediate
	Contractor performance evaluations should be completed for all contracts exceeding \$50,000 in accordance with ministry contracting policy.	Covered off in recommendation 2 (d) and is a requirement for all contracts.		Immediate
	The PGBA should consider electronically filing contractor performance evaluations on the PGBA local area network, and ensure that verifications of satisfactory past performance is required standard practice in contract pre-award processes.	Evaluations for all contracts will be filed on the contract file. Ian to take to TSLT re a shared database for contractor evaluations.	Ian to refer shared database to TSLT.	December 31, 2006