

# Administrative Directive

## Contract Management

**Number:** A1205A

**Date of Approval:** January 16, 2019

**Department:** Financial and Corporate Services

**Next Scheduled Review:** January 16, 2022

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### **Statement of Directive:**

Contracts provide the basis for ensuring that obligations of both the supplier and the City are fulfilled.

All City contracts resulting from procurement activities must be actively managed using the processes prescribed in this directive and the associated procedures.

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### **Purpose:**

The purpose of this directive is to establish guiding principles, procedures, and processes to ensure the City of Edmonton follows best practices when managing contracts and suppliers' performance.

### **Application:**

This directive applies to any person who reports to the City Manager or City Auditor and provides services to the City of Edmonton under a contract of employment, contract for the provision of personal services, or in the capacity of agent, student, or volunteer.

### **Accountability:**

The delegated authority who approves the terms and conditions of a contract must appoint an employee, or ensure an employee is appointed to provide oversight, to act as contract manager for that contract. To be appointed as a contract manager, the employee must have completed all required contract management training program offered by the City of Edmonton.

Contract managers must manage all contracts in accordance with the Manage, Monitor, and Ensure Contract Compliance procedure.

If a contract requires a change or an amendment, the contract manager must follow the processes described in the Contract Amendments Procedure. Any formal disputes that may arise while a contract is in effect will be handled in accordance with the Manage and Resolve Disputes Procedure.

Upon completion, termination, or expiry of a contract, the contract manager will complete the Contract Completion and Financial Closeout Procedure.

The Branch Manager, Corporate Procurement and Supply Services is responsible for providing corporate support for contract management and may, after review by the City Solicitor, approve standards to provide further detail to this directive and its accompanying procedures, and will regularly review these additional resources.

## Contract Management

The City Manager, or designate, may conduct reviews, audits, or checks at any time without notice to ensure compliance with this directive, including its accompanying procedures.

Failure to comply with the provisions of this directive and its accompanying procedures could lead to appropriate corrective action, which may include discipline up to and including termination of employment.

### **Definitions:**

Unless otherwise specified, words used in this directive and its accompanying procedures have the same meaning as defined in the City Administration Bylaw, Bylaw 16620.

In addition:

- **“contract”** has the same meaning as “procurement agreement” in the City Administration Bylaw, Bylaw 16620;
- **“delegated authority”** means an employee with the appropriate power, duty, or function delegated to him or her by the City Manager through the City’s Delegation of Authority Order;
- **“supplier”** means a provider of goods, services, construction, or intellectual property rights by purchase, rental, lease, conditional sale, or any other means, and includes the terms vendor, consultant, contractor, and lessor.

### **Guiding Principles:**

In carrying out their duties under the procedures accompanying this directive, or when acting in situations not explicitly addressed by an existing procedure, employees will be guided by the following principles:

- ensuring that all parties to a contract fully meet their respective obligations as efficiently and effectively as possible in order to continually deliver the business, financial, and operational objectives the contract is intended to achieve;
- ensuring the City’s contract management practices promote and enable a fair exchange of value between the City and contracted parties for goods, services, construction, and intellectual property rights received;
- complying with all relevant City policies, directives, procedures, and trade agreements; and
- reducing contractual risk to the City through active contract management.

### **History:**

- A1205 Contract Management Directive, April 21, 2017