

# CITY OF OAKLAND

## AGENDA REPORT

2006 NOV 14 4:02

TO: Office of the City Administrator  
ATTN: Deborah A. Edgerly  
FROM: Finance and Management Agency  
DATE: November 14, 2006

RE: **Informational Report on City Wide Contract Management and Training**

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### SUMMARY

This is an informational follow-up report as requested by the Finance and Management Committee regarding Contract Management and Training. This report will outline the following:

- Contract Process Enhancements
- New Required Contract Documentation
- Implementation
- Staff Training
- Future Action Plans

### FISCAL IMPACT

This is an informational report only; there are no fiscal impacts.

### BACKGROUND

The Budget Advisory Committee (BAC) conducted an evaluation of the City's Contract Process and provided recommendations to standardize the procedure. Based on the report submitted to the Finance and Management Committee on April 11, 2006, staff was instructed to:

1. Create a central repository for all City contracts;
2. Create a procedure to locate the Agency, Department and the staff responsible for the contract;
3. Create a procedure that will provide a statement of the contract goal or purpose;
4. Create a procedure that will provide clear language on the frequency, extent and process for inspections, and the fiscal reporting and audit requirements;
5. Create a procedure for the evaluation of contracts, and;
6. Provide training to employees that manage contracts.

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## KEY ISSUES AND IMPACTS

### ■ **Create a central repository for all City contracts:**

The City Clerk / Records Management Services oversee the preservation and protection of public records. Records Management Services is required to maintain and index the Minutes, Ordinances, and Resolutions adopted by the legislative body. This unit also ensures that other municipal records are readily accessible to the public.

- City Agencies / Departments are now required to submit all original contract documents to the City Clerk / Record Management Services for central repository.

Schedule T – Contract Summary Transmittal (see attachment) a new required form has been developed and implemented.

- Schedule T is used by all City Agencies and Departments for procurement, construction, and professional services contracts.
- Schedule T is also required for contract renewals and extensions.
- Two copies of the Schedule T form must be attached to the original contract when the documents are submitted to the City Clerk / Record Management Services.
  - ✓ The City Clerk / Record Management Services will sign both copies of the Schedule T, file one with the original contract, and return the other to the responsible Agency and/or Department.
  - ✓ A copy of the Schedule T with the City Clerk / Record Management Services signature must be submitted with the first vendor payment request. This step ensures that the City Clerk / Record Management Services received the original contract document for filing in the central repository.

### ■ **Create a procedure to locate the Agency, Department and the staff responsible for the contract:**

- Schedule T includes fields that require the Agency, Department, and Responsible Employee name (s) and other contact information.

### ■ **Create a procedure that will provide a statement of the contract goal or purpose:**

- Schedule T requires a statement of the contract goal / purpose.

### ■ **Create a procedure that will provide clear language on the frequency, extent and process for inspections, and the fiscal reporting and audit requirements:**

- Schedule T includes a section that must be completed regarding inspections, fiscal reporting, and audit requirements.

- Schedule T also has a section for the deliverable due dates, completions dates, and performance.
- **Create a procedure for the evaluation of contracts:**
  - Schedule T has a section for the evaluation.
    - ✓ Two copies of the Schedule T that have the City Clerk / Record Management Services signature and the evaluation section, completed by the responsible Agency or Department, must be submitted with the final vendor payment request.
    - ✓ One copy of the Schedule T with the evaluation section completed will be filed with the final vendor payment request, and one copy will be forward to the City Clerk / Record Management Services. This step will ensure the City Clerk / Record Management Services is notified when a contract has been completed.
- **Provide training to employees that manage contracts:**

City staff was instructed to provide mandatory contract training by August 31, 2006.

  - Four separate training sessions were held for City employees from July through September 2006. Three-hundred and twenty-two (322) employees completed the contract training, and ninety-six percent (96%) of the training evaluations ranged from good to excellent.

The following Agencies / Departments participated:

Agency / Department	Number of Employees
City Administrator	21
City Attorney	1
City Clerk	2
Community and Economic Development (CEDA)	88
Cultural Arts	6
Finance and Management Agency	49
Fire	9
Human Services	27
Library	6
Museum	3
Parks and Recreation	2
Police	19
Public Works	89
<b>Total</b>	<b>322</b>

The Contract Training Manual and all required schedules and forms are available on-line. Contract training will continue to be provided and the following classes will be offered in the future:

- Standardized Contract Training Refresher / Overview
- Project Management
- Contracting Process and Management for Grants

### **SUSTAINABLE OPPORTUNITIES**

None.

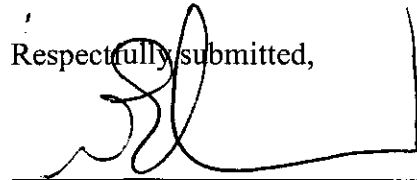
### **DISABILITY AND SENIOR CITIZEN ACCESS**

There are no ADA or senior access issues contained in this report.

### **RECOMMENDATION(S) AND RATIONALE**

Staff recommends that City Council accept this informational report.

Respectfully submitted,

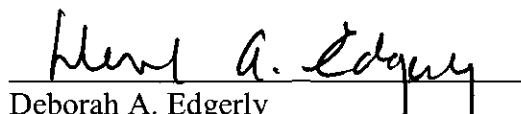


William E. Noland  
Director, Finance and Management Agency

Prepared by:  
LaRae Brown, Controller  
Finance and Management Agency

Attachments:  
Schedule T

APPROVED AND FORWARDED TO THE  
FINANCE AND MANAGEMENT COMMITTEE:

  
Deborah A. Edgerly  
Office of the City Administrator

Item: \_\_\_\_\_  
Finance and Management Committee  
November 14, 2006



# SCHEDULE T CONTRACT SUMMARY TRANSMITTAL\*

FOR USE BY ALL CITY AGENCIES AND DEPARTMENTS FOR PROCUREMENT, CONSTRUCTION AND PROFESSIONAL SERVICES CONTRACTS

1. Agency: \_\_\_\_\_ Department: \_\_\_\_\_
2. Project Name: \_\_\_\_\_ Project Amount: \_\_\_\_\_
3. Budget / Funding\*\*: Fund #: \_\_\_\_\_ Org #: \_\_\_\_\_ Account #: \_\_\_\_\_ Project #: \_\_\_\_\_ Program #: \_\_\_\_\_
4. Project Manager / Responsible Employee Name: \_\_\_\_\_  
Title: \_\_\_\_\_ Phone: \_\_\_\_\_ email: \_\_\_\_\_
5. Supervisor / Direct Report or Alternate Employee Contact:  
Name: \_\_\_\_\_ Phone: \_\_\_\_\_ email: \_\_\_\_\_
6. Consultant / Contractor Name: \_\_\_\_\_  
Address: \_\_\_\_\_ Phone: \_\_\_\_\_ email: \_\_\_\_\_
7. Type of Contract (Mark X): Professional Service: \_\_\_\_\_ Construction: \_\_\_\_\_ Commodities: \_\_\_\_\_ Technology: \_\_\_\_\_
8. Statement of Contract Goal / Purpose: \_\_\_\_\_
9. Actual or Estimated Notice To Proceed (NTP) Date: \_\_\_\_\_ Estimated Completion Date: \_\_\_\_\_
10. Resolution Number: \_\_\_\_\_ Resolution Date: \_\_\_\_\_
11. Location of the Contract Documents: \_\_\_\_\_

**THIS PORTION MUST BE COMPLETED BY THE AGENCY / DEPARTMENT AND/OR THE PROJECT MANAGER**

Insert language below regarding the evaluation of performance and/or audit requirements. For example; This contract is subject to an independent audit initiated by the City of Oakland and/or this contract will be evaluated quarterly according to the deliverables defined below.

Please attach separate sheets if required.

**Performance, Inspection, Fiscal Reporting and Audit Requirements**

Performance Evaluation:	
Inspection Requirement:	
Fiscal Reporting Requirement:	
Audit Requirement:	

Deliverables	Date Due	Completion Date	Responsible Source (Prime, Sub, Supplier, Other)	Performance
1				
2				
3				

City Representative: _____ <small>(Please Print)</small>	Date: _____
City Representative Signature: _____	

City Clerk: _____ <small>(Please Print)</small>	Date: _____
City Clerk Signature: _____	

**\* Must be attached to the signed Contract / Agreement and the First and Final (last) Payment Requests**

\*\* Multiple Funding Sources: Complete Additional Funding Section on Page 2

## CONTRACT SUMMARY TRANSMITTAL PROCEDURE

**Note:** This Contract Summary Transmittal form must be completed and attached to the signed Contract / Agreement

**Note:** Agency / Department - Project Managers are responsible and must ensure:

Contract Compliance and Employment Services performed the following:

- 1) Compliance Analysis
- 2) Equal Benefits Determination
- 3) Living Wage Determination

**Note:** Before submission of a Contract:

Schedule M (Part A and B) must be submitted to the City Attorney's Office for written approval

- 1) Consultant / Contractor must complete Schedule M – Part A
- 2) The City Agency / Department must complete Schedule M - Part B

**Note:** A photocopy of the completed Contract Summary Transmittal form must be attached to the first and final payment request:

- 1) Photocopy the front and back of the completed Contract Summary Transmittal form
- 2) Photocopy must be attached to the back-up documentation, on the first payment request and on the final payment request that is submitted to the Finance and Management Agency / Accounts Payable Section

Contract Transmittal Procedure	Date Received	Received Initials	Date Returned	Returned Initials
Contract: Send to the City Attorney's Office for First Review				
Contract: Send to the Consultant / Contractor				
Contract: Send to the City Attorney's Office for Final Signature				
Contract: Send to the Agency / Department Fiscal Services to Encumber Funds				
Contract: Send to the Finance and Management Agency / Purchasing Division ***				
Contract: Send to the Agency / Department for Director's Signature				
Contract: Send to City Administrator's Office for Approval (for contracts over \$15,000)				
Contract: Send to City Clerk's Office				

\*\*\* All Contracts are sent to the Finance and Management Agency / Purchasing Division to ensure the required Funds are encumbered. Funds that are not encumbered may result in a delayed payment to the Consultant and/or Contractor.

### Additional Funding Section

Fund Number	Organization Number	Account Number	Project Number	Program Number