



Ontario Ministry of Government Services

Update on the Modernization of Ontario's Consulting Services Vendor of Record Program

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Introduction

This update provides a high level summary of changes being made to Ontario’s Consulting Services Vendor of Record (VOR) Program and provides interested vendors with information related to upcoming consulting service procurement opportunities.

Vendors must refer to the appropriate Request for Proposals (RFP), when available, for more specific details.

Background

In June 2010, the Ministry of Government Services (MGS) released a discussion paper titled “An Invitation to Inform the Modernization of Ontario’s Consulting Services Vendor of Record Program” describing proposed changes to Ontario’s consulting services VOR program and issuing an open invitation to interested parties to comment on those proposed changes. Responses received from the vendor community and ministry clients, as well as a review of consulting services arrangements in other jurisdictions, were used to inform Ontario’s approach to consulting services VOR arrangement modernization.

Existing consulting services VOR arrangements expire in 2011 and 2012 giving MGS an opportunity to make changes that will streamline the procurement process.

VOR Arrangement Consolidation

As a result of the modernization initiative, MGS will be consolidating the services provided under the six current Consulting Services VOR arrangements into three VOR arrangements as follows:

Current VOR Arrangement	Proposed VOR Arrangements
General Management Consulting Services	Management Consulting Services
Program Evaluation and Performance Measurement Services	
IT Management Consulting Services	Task-based I&IT Services
Task-based I&IT Consulting Services	
Telecommunications Consulting Services	
Project-based I&IT Consulting Services	I&IT Solutions Consulting Services

Qualifying as a Vendor of Record

MGS will be introducing a streamlined procurement process for vendors currently on five of the existing consulting services VOR arrangements and that are interested in submitting bids in response to the new Task-based I&IT Services and/or Management Consulting Services RFPs.

Existing vendors will have the opportunity to attest that they are currently qualified on an eligible VOR arrangement and will be asked to respond to the procurement opportunity through an abbreviated process outlined in the respective RFP. Existing vendors will be required to submit detailed RFP responses for any new service categories and/or roles that it wishes to be evaluated for.

Vendors who are not currently qualified on an eligible VOR arrangement will be required to the full RFP evaluation process as outlined in the respective RFP. Once qualified, these vendors may be able to use the attestation process for successor consulting services VOR arrangements.

Pricing Models

The three new consulting services VOR arrangements will be clearly defined with respect to whether they are intended to facilitate the provision of task-based resources or fixed price consulting services.

Task-based service assignments are those wherein vendors provide resources for a limited period of time to either execute tasks that are part of a larger project or provide support to clients due to lack of internal resources. Typically, vendors provide resources to perform a defined task under the direct supervision of a ministry employee for a short term. The new Task-based I&IT Services VOR arrangement will use this model.

In order to qualify for the Task-based I&IT Services VOR arrangement, vendors will submit their proposed pricing in the form of maximum per diem rates. All vendors who meet mandatory requirements, rated requirements and who succeed in the pricing stage will qualify to enter into a master agreement for the Task-based I&IT Services VOR arrangement.

Ministry clients requiring task-based services will conduct a second stage selection process to select the best qualified vendor to provide the services. During the second stage selection process, vendors will have the ability to propose lower per diem rates than those included in their initial bid. Pricing will be evaluated for the specific assignment during the second stage selection process.

Fixed price consulting service projects are those wherein vendors are required to complete project deliverables as defined by the client. In this model, the consulting resources are managed by the vendor and the vendor is managed by the client. Typically, both the client and vendor would designate a project manager who would work closely together to ensure successful completion of the project. The vendor would determine the number and type of resources required to successfully complete the project and bid a 'fixed price' that captures their total costs. The new Management Consulting VOR arrangement and I&IT Solutions Consulting Services VOR arrangement will use this model.

Pricing will not be evaluated for the Management Consulting Services or I&IT Solutions Consulting Services VOR arrangements as part of the RFP process. Instead, vendors

who meet the mandatory and rated requirements for each RFP will qualify to enter into a master agreement for that VOR arrangement. Clients that need fixed price consulting services will be required to conduct a second stage process using these qualified vendors. Pricing will be requested and evaluated at this second stage selection. Vendors will be required to provide a total 'fixed price' to complete the project described by the client in this second stage selection.

Access to Second Stage Selection Opportunities

Once MGS has established each new VOR arrangement, ministry clients will be required to undertake an appropriate second stage process determined by the value of the assignment/project. Clients undertaking assignments/projects valued at \$600,000 or more will be required to invite all vendors qualified in the required service category to participate in that process. Vendors must be qualified to provide service in the category and/or role required for the given assignment in order to receive the invitation.

For certain roles on the Task-based I&IT Services VOR, the second stage selection process may be co-ordinated by IT Source not by individual clients.

Timelines

RFPs for the new proposed VOR arrangements are expected to be posted on or around the following dates:

Proposed VOR Arrangement	RFP Posting Date
Task-based I&IT Services	Late February 2011
Management Consulting Services	March 2011
I&IT Solutions Consulting Services	May 2011

Please note that MGS reserves the right to change the RFP posting dates.

Further details relating to the consulting services VOR program modernization will be made available in the consulting services RFPs which will be posted on MERX (www.merx.com).

Frequency

For each consulting services VOR arrangement, MGS will increase the frequency with which vendors can qualify to be on a VOR arrangement. Vendors who either miss the initial RFP or that do not qualify at the outset of the VOR arrangement, will have the opportunity to submit a proposal at pre-defined intervals throughout the term of the VOR arrangement. This will facilitate the ability of new entrants to the marketplace to submit proposals for evaluation in order to qualify on the VOR arrangement. These pre-defined intervals will be published in the RFP and posted on MERX.