

Town of Paradise Valley  
Administrative Policy #19

**Subject:** Management of Consultants

**Effective Date:** October 1, 2017

**Purpose:** In order to more properly and effectively manage outside consultants and contracted employees, the following policies and practices should be followed:

- I. Definition
  - a. Consultant – an individual or firm, contracted by the Town to perform analysis, design work (including engineering or architectural), or advisory services (ex. legal advice) over \$5,000.
  - b. Contracted Employee - an employee meeting the IRS definition of a contracted employee, or a firm that provides labor for hire, and/or any position hired by the Town as a temporary employee (excluding interns) to perform tasks associated with a defined position (ex. court clerk, building inspector).
- II. Policy
  - a. Use of consultants. Use of consultants is generally discouraged unless the following conditions are present:
    - i. Town staff does not possess the expertise associated with the service required; or,
    - ii. Town staff does not possess the time necessary to complete the task; or,
    - iii. Town staff might have a real or perceived conflict of interest. Said conflict may be of a pecuniary interest but may also be seen as self-serving (ex. Conduct an analysis of whether Town employees are underpaid).
    - iv. Justification under any of these three reasons shall be presented and approved by the authority authorizing the purchase. Therefore, if it is a purchase requiring Council approval consistent with the procurement policy, then the justification should be presented in the agenda report and consent is understood if the Mayor and Council approve the contract. Likewise, if approval is granted by a department director, the justification should be made to that director and documented with the purchasing file.
  - b. Any contract for service(s) through either a consultant or a contracted employee, should have a defined scope of service(s) prior to entering the contract.
  - c. A full time, regular town employee shall be assigned as the point-of-contact for any consultant and shall be responsible for assuring the contractor is fulfilling the scope of services and working within the defined budget.
  - d. All consultants associated with grant funds should be noted as such and will not require separate justification outside acceptance of the grant.