

COUNCIL REPORT – OFFICE OF THE CITY AUDITOR

Edmonton

USE OF IT CONTRACTED RESOURCES AUDIT

RECOMMENDATION

That the March 18, 2022, Office of the City Auditor report OCA01118, be received for information.

Report Purpose

Information only

Executive Summary

This report presents the results of the Use of IT Contracted Resources audit.

REPORT

The City uses IT contracted resources to obtain specialized skills and to augment in-house staff requirements for limited time periods. Business areas can retain IT contracted resources through the corporate IT staff augmentation contract or direct contracting with a vendor.

The objectives of the audit were to determine if the City:

1. Complied with the procurement and contracting directives and procedures, the City's staff augmentation contracts, collective agreements and government policies.
2. Managed IT contracted resources in accordance with contract terms.

The City retained the IT staff augmentation contract through competitive procurement and in compliance with the City's procurement directives and procedures. In addition, the City manages IT contracted resources in accordance with contract terms regardless of whether IT contracted resources were obtained through the IT staff augmentation contract or through direct contracting.

However, we did observe a lack of documentation on why IT contracted resources obtained through the IT augmentation contract are needed. As well, contractor fees are not always consistent with the pay schedule included in the IT staff augmentation contract. We also reviewed

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direct contracts with IT vendors outside of the IT staff augmentation contract. We observed that these contracts require additional support to justify non-competitive procurements.

We made two recommendations to address the areas for improvement:

- We recommend the Corporate Procurement and Supply Services Branch strengthen the requisition of IT contracted resources through the IT staff augmentation contract.
- We recommend the Corporate Procurement and Supply Services Branch review documentation to support the justifications for non-competitive procurements.

POLICY

Bylaw 16097, Audit Committee Bylaw, Section 14(d) states that, "Committee will review all reports from the City Auditor dealing with completed audit projects."

ATTACHMENT

1. Use of IT Contracted Resources Audit Report