

ADMINISTRATION RESPONSE TO IT CONTRACTED RESOURCES AUDIT

RECOMMENDATION

That the March 18, 2022, Financial and Corporate Services report FCS00838, be received for information.

Report Purpose

Information only.

This report responds to recommendations from the Office of the City Auditor.

Executive Summary

- With the audit of IT Contracted Resources, the Office of the City Auditor reviewed 2018-2020 staff augmentation contract documents and files.
- The two objectives of the audit were:
 - To determine if IT contracted resources usage is in compliance with the City's procurement and contracting directives and procedures, the City's staff augmentation contracts, collective agreements and government policies.
 - To provide assurance that IT contracted resources are managed in accordance with contract terms.
- The City Auditor identified areas of improvement and provided two recommendations.
- Administration accepts all recommendations and has worked to address the items identified. All actions will be implemented by March 31, 2022.

REPORT

Administration understands and supports compliance with contracting directives and procedures in all contracts. The clear and documented justification of the temporary hiring of highly skilled external Information Technology (IT) Resources is consistent with best practice.

As such, Administration addressed each recommendation as follows:

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Recommendation 1

- The Corporate Procurement & Supply Services (CPSS) Branch strengthen the requisition of IT contracted resources through the IT staff augmentation contract by:
 - Confirm documentation exists that justifies the hiring of IT augmentation contract resources
 - Provide guidance for what is a suitable business case justification for higher rates

Response to Recommendation 1

Administration accepts this recommendation.

Flextrack is the City's contracted supplier for IT augmentation services. To satisfy both topics in Recommendation 1, Administration is using the Requisition Form within Flextrack's system to collect the required information by adding:

1. A field within the main page of the requisition, which requests the Hiring Manager upload a PDF that provides both the justification for the use of IT Augmentation as well as the Business Area approval;
2. A guidance document linked within the 'job details' section of the requisition that provides the necessary information on what constitutes a suitable business case justification when a business area wishes to exceed the pre-populated rate card for the role they are acquiring.

In addition, CPSS will receive quarterly reporting from Flextrack to ensure these requirements are met and tracked for compliance purposes.

This recommendation will be implemented by the end of Q1 2022.

Recommendation 2

- That the Corporate Procurement and Supply Services Branch review documentation to support the justifications for non-competitive procurements.

Response to Recommendation 2

Administration accepts this recommendation.

CPSS is reviewing all procurement processes in preparation for Enterprise Commons implementation.

This recommendation will be implemented by the end of Q1 2022.

GBA+

There are no known GBA+ implications related to this audit response. As with all City contracts, IT services are subject to the Living Wage Policy C612A.