


Consulting and Professional Services Audit

Audit Committee – Monday November 24th,
2025



Agenda

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1. Audit Objective
 2. Scope and Methodology
 3. Audit Conclusion
 4. Management Action Plans
 5. Next Steps
 6. Questions

Audit Objective

An audit of Consulting and Professional Services was presented in 2020. Improvements were recommended to ensure that risks related to the procurement and use of consultants are effectively and efficiently mitigated.

The objective of this audit focused on whether the actions that have been implemented have improved the City's processes.

Audit Scope and Methodology

- Review of strategic goals, objectives, policies and procedures and management oversight
- Use of technology
- Staff interviews
- Although some projects originated in 2020, the scope of this audit covered capital and operating consulting engagements for the period of January 2023 to December 2024.
- As a result of recent audits, Development Planning and MoveSmart Mobility Management Strategy were not included in the scope of this audit.

Audit Conclusion

In general, the audit did not find any evidence of non-compliance with corporate policies. Although the 2020 audit recommendations have contributed to improvements in processes, further enhancements are recommended to ensure that risks related to the procurement and use of consultants are effectively and efficiently mitigated.

Issues and Observations

The following opportunities were identified:

- 1 Strengthen Business Case guidance and oversight.
- 2 Enhance procedures and reporting of consulting and professional services.
- 3 Improve system integration and automation through cross-departmental collaboration.
- 4 Ensure that post-completion lessons learned and performance evaluations are completed and documented.

Management Action Plans

Management Action Plans

1

Strengthen Business Case guidance and oversight

Revise and clarify guidance: Update the Business Case Resource Guide to clearly define qualifying projects, applicability to enabling studies, and strengthen requirements for justifying consultant use with measurable indicators.

Standardize internal resource assessment: Add a consistent protocol and template fields for documenting internal capacity scans, supported by examples and criteria for engaging external consultants.

Enhance oversight and compliance: Establish a review workflow and compliance checklist to ensure required business cases and approvals are in place before project initiation.

Improve timing: Review and adjust the annual launch schedule to align with strategic, operational, and financial planning cycles, while allowing more time for departments to prepare.

Streamline review and approval: Clarify roles, timelines, and escalation processes to ensure timely, coordinated approvals across all stakeholders.

Management Action Plans

2

Enhance procedures and reporting of consulting and professional services.

New Consultant & Professional Services Procedure (Q3-2026)

will define:

- Engagement criteria
 - Approval workflows
 - Performance metrics
- Benchmarking against leading municipal practices to guide consultant use.
- Integrated into Business Case template for consistent evaluation.
- Supported by training and toolkits for organization-wide adoption.

The Procurement Activity Report provides a summary of competitive and non-competitive procurement contract awards applicable under the Corporate Procurement Policy, bi-annually.

Q3 2026: Enhanced to include detailed categorization of consulting/professional services (e.g., management, IT, engineering)

Forward-Looking Plan

By Q2 2027: 4 new policies, 3 updated policies

By Q4 2026: New and revised procedures and directives for consistent practices

Management Action Plans

- 3 Improve system integration and automation through cross-departmental collaboration.

Digital Transformation & Automation

- Collaboration with OCIO & Financial Services to close gaps, improve data access, and automate procurement processes within the City's ERP system.
- Procure-to-Pay Project: Launch pending budget approval; assessment phase begins Q2 2026.
- P-Card Automation: Exploring alternatives with OCIO due to API limitations with P-Card provider.

Management Action Plans

4 Ensure that post-completion lessons learned and performance evaluations are completed and documented.

Supplier Performance Policy (Q3 2025):

- Standardized evaluation across all contract types
- Metrics: quality, timeliness, compliance
- Tracks performance history; addresses poor performance; recognizes excellence

Contract Close-Out Process (Q2 2026):

- Applies to all active competitive and 2026+ non-competitive contracts
- Includes deliverable acceptance, final payment, and project manager-led close-out

Lessons Learned Review:

- Led by PMO; documents successes and challenges
- Stored centrally to inform future procurements

Monitoring, Training & Accountability:

- Compliance monitored by both Procurement and PMO
- Targeted training for departments
- Bi-annual reporting to senior leadership



Next Steps

- ✓ Action plans have been developed
- ✓ Implementation is underway or completed
- ✓ Internal Audit will follow up and report on the status of these action plans



Questions?



Thank you!