

---

**Subject:** Non-Competitive Procurement Audit Final Report

**Report to:** Audit Committee

**Report date:** Monday, December 7, 2020

---

## **Recommendations**

1. That the final audit report and presentation on Non-Competitive Procurements **BE RECEIVED** for information.

## **Key Facts**

- At the January 2020 Audit Committee it was approved that an external firm be retained to complete an internal audit of all non-competitive procurements.
- Through a competitive process, KPMG was the successful proponent at a price of \$19,250.
- The audit commenced in mid-October and a draft report submitted on November 20, 2020.

## **Financial Considerations**

The audit was completed within the prescribed timeframe and within the accepted bid price.

There are no financial impacts related to the recommendations and related management action plans are being implemented.

## **Analysis**

The purpose of the audit was to provide assurance to Management and Niagara Region's Audit Committee on the effectiveness of the management control framework to support non-competitive procurement activities. The audit tested purchasing activities to evaluate the current controls and processes related to non-competitive transactions as prescribed in the Regional purchasing and procurement by-law. Finally, the audit attempted to determine the effectiveness of current procedures to ensure consistency, compliance and fairness/transparency throughout the corporation.

## **Alternatives Reviewed**

No other alternatives were reviewed at this time.

## **Relationship to Council Strategic Priorities**

Internal Audit along with related audit functions such as Value-for-money (VFM) audits and compliance reviews were identified and approved within the current Council's Strategic Priority – Sustainable and Engaging Government. The goal of this strategic initiative is a commitment to high quality, efficient, fiscally sustainable and coordinated core services through enhanced communication, partnerships and collaborations with the community.

## **Other Pertinent Reports**

- AC-C 3-2020 – Non-Competitive Procurement Audit
- AC-C 2-2020 – Procurement Audit Final Report

---

### **Prepared by:**

Frank Marcella  
Manager, Internal Audit

---

### **Recommended by:**

Todd Harrison, CPA, CMA  
Commissioner, Corporate Services/  
Treasurer

---

### **Submitted by:**

Ron Tripp, P.Eng.  
Acting Chief Administrative Officer

## **Appendices**

Appendix 1                      AC-C 11-2020 – Non-Competitive Procurement Audit Final Report