

RESOLUTION NO.

WHEREAS, during a 2010 performance audit of citywide contract management (AU10113), the City Auditor found that “the City should adhere to a more uniform contract administration and monitoring process to reduce the risk that City contracted dollars may be spent inappropriately or ineffectively;” and

WHEREAS, other audits conducted over the past 3 years have concluded that the City’s contract management policies and practices in individual departments do not follow best practices, lack accountability, or expose the City to potentially significant risks; and

WHEREAS, staff from the City’s Financial and Administrative Services Department and Purchasing Office are currently working to respond to the specific recommendations of audit AU10113, details of which have been included in a memo from Deputy Chief Financial Officer Greg Canally to Mayor and Council dated 9 December 2011; **NOW THEREFORE**,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

The City Manager is directed to analyze progress made on implementing the new contract management procedures outlined during a 15 December 2011 briefing to City Council, including:

1. training of city staff on new procedures;
2. staff compliance with the new policies; and
3. monitoring systems that ensure accountability to the new policies.

The City Manager is also directed to assess areas of continuing concern and detail plans to mitigate the associated risks of mismanagement or misuse of City resources. The City Manager will report these findings to the Council’s Audit and Finance Committee no later than June 14, 2012.

BE IT FURTHER RESOLVED:

The City Manager is directed to evaluate and present options for a city-wide electronic contract management workflow system to increase efficiencies and enhance compliance and accountability in the city's contract management efforts

BE IT FURTHER RESOLVED:

The City Auditor is directed to conduct a follow-up audit to its 2010 Performance Audit of Citywide Contract Management (AU10113). Among other issues, the City Auditor is directed to study whether updates to the Purchasing Procedures Manual, Administrative Bulletin 84-07 and the Contract Monitoring Guide meet best contract management practices, and whether compliance with contract management policies is improving. The City Auditor will report his findings to the Council's Audit and Finance Committee no later than December 31, 2012.