



Request for City Council Committee Action from the Department of Internal Audit

Date: March 17, 2015

To: City Council Member John Quincy, Ways and Means Committee

Subject: IT Audit Outsourcing

Recommendation:

Authorize the proper City officials to negotiate and enter into a contract for IT auditing services with Backbone Consulting for a not-to-exceed contract amount of \$375,000 over three years.

Department Information

Prepared by: Will Tetsell, Director of Internal Audit, 612-673-2056

Approved by: Will Tetsell

Presenters in Committee: Will Tetsell

Reviews

- Permanent Review Committee (PRC): Approval: Yes Date: January 15, 2015

Financial Impact

- Funding for the 2015 portion of this contract is included in the Internal Audit Department approved budget.

Community Impact

- City Goals
- Comprehensive Plan

Supporting Information

Through the request for proposals process, the Internal Audit Department has selected a firm to provide three different types of audit work, 1) Integrated Audits/Consultations/Projects where we're evaluating both IT and non-IT processes and controls, 2) IT audits where the work is primarily technology-focused, and 3) IT risk assessment, which helps identify high-risk areas within the City's IT Infrastructure, system use, and automated processes.

The firm is Backbone Consulting, an IT Audit firm that the Internal Audit is currently utilizing for integrated audit work. This firm is a small minority-owned business in Minneapolis that has the experience and extent of services to meet our IT audit needs. It is anticipated that the contract value will be allocated as follows:

| | |
|-------------|------------------|
| 2015 | \$100,000 |
| 2016 | \$125,000 |
| 2017 | \$150,000 |

