

Alberta Justice and Solicitor General Contracting for External Services Follow-up



Executive Summary

November 2018

Who

Alberta Justice and Solicitor General

What

Follow-up Performance Audit

When

We conducted our field work between January and July 2018 and substantially completed our audit on September 5, 2018.

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www.justice.alberta.ca

Why we did this audit

In 2016, we found that the Department of Justice and Solicitor General's processes did not have clear and effective guidelines for programs to follow when requesting funding and preparing business cases to support their need to engage external contractors.

The objective of our audit was to determine whether the department had implemented our two July 2016 recommendations on external contracting for business services, including contracts for transporters of deceased rural Albertans and contingency provisions for the use of non-contracted vendors.¹

Our 2016 audit focused on the Office of the Chief Medical Examiner (OCME); however, our report resulted in one recommendation directed toward the department as a whole (business case guidelines) and one for the OCME program (using pre-qualified contract vendors). For this follow-up audit, we decided to broaden our scope to more fully examine the department's pre-qualification contractor processes. Accordingly, we included two additional support areas within the department using pools of pre-qualified contractors: Gladue report writers, plus court reporters and transcript preparers.

What we concluded

Based on our findings obtained in completing audit procedures between January and July 2018, we conclude that the Department of Justice and Solicitor General has implemented our 2016 recommendations, having:

- developed business case guidelines and required business cases to be used for significant external-services-contract requests
- improved and complied with pre-qualified contractor requirements for specified program services

¹ Report of the Office of the Auditor General—July 2016, page 19.

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Why this is important to Albertans

Good contracting practices contribute to cost-effective operations and reduce the risk of the department not getting the level or quality of service that meets its standards. The use of business cases and pre-qualified contractor programs contributes to Albertans having access, if needed, to cost-effective justice services.

What we examined

We examined the business case guidelines and several business case information packages presented to the department's contract review committee to evaluate implementation of our 2016 recommendation for significant, new, external contract services requests.

For our 2016 recommendation involving external services obtained from pre-qualified contracted vendors, we examined the design of the pre-qualification evaluation processes leading up to a contract being offered to an applicant and the applicant's being included on the roster of program vendors that can be used. We tested payments for the specified program services, checking that an appropriate invoice had been received that was supported by a valid pre-qualified contract. We also reviewed any allowable exception provisions for situations when an approved vendor was not available to provide the needed services on a cost-effective and timely basis.

For our business case audit testing, we examined business cases and contract review committee minutes from the 18 months ended June 30, 2018. For our pre-qualified contracting tests, we examined pre-qualified vendor contracts, service request and completion forms, and invoices and payments data from the year ended February 28, 2018.

What we found

The department has developed business-case guidelines. Business cases were prepared for use by the department's contract review committee to consider significant new external-services-contract requests.

The OCME complied with its pre-qualified contractor use policy for rural body transportation. The use of non-contracted vendors was limited to situations where excessive costs and time delays would be incurred in using pre-qualified contractors or when special services were required.

The department was complying with its policy of only using pre-qualified contractors for:

- Gladue report writing
- court reporting and transcript preparation

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