

Clause 6 in Report No. 1 of the Audit Committee was adopted, without amendment, by the Council of The Regional Municipality of York at its meeting held on February 15, 2018.

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Software License and Support Costs

Audit Committee recommends adoption of the following recommendation contained in the report dated January 16, 2018 from the Director of Audit Services:

1. Council authorize extensions of the agreements between the Region and the Vendors listed in Private Attachment 1 for software licenses and support. The term of each extension and the associated costs are outlined in Private Attachment 1.

(See Clause 11)

Report dated January 16, 2018 from the Director of Audit Services now follows:

1. Recommendation

It is recommended that:

1. Council authorize extensions of the agreements between the Region and the Vendors listed in Private attachment 1 for software licenses and support. The term of each extension, and the associated costs are outlined in Private Attachment 1.

2. Purpose

This report seeks Council authorization to extend agreements with current providers of technology software licenses and support.

Council approval is required for a direct purchase pursuant to the provisions of Section 18.1(a) of the Purchasing Bylaw, Requirement for Council Approval, where a report shall be submitted to Council prior to authorizing an award where the term of a proposed contract is for a period of greater than five (5) years, or where the extension or renewal of a contract or a direct purchase would result in an aggregate term of greater than five (5) years.

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The attachment with this report is private pursuant to Section 239(2)(a) of the Municipal Act, 2001, as the subject matter of the attachment involves security of the property of the Region.

3. Background

The Region's Purchasing Bylaw requires Council approval for direct purchases where the total term exceeds five years

The extension and/or renewal of contracts with total terms in excess of five years require Council approval.

The Audit Services Branch uses two software applications to execute its function

The Audit Services Branch employs the use of two audit industry related software applications that assists audit staff in the performance of their work. The vendors listed in Private Attachment 1 have supplied specialty software that have been in use for several years and are not replaced frequently due to their complexity.

4. Analysis and Implications

Extension of the existing agreements for software licenses and support services is required to ensure continued access to the software applications

Software applications in use by the Audit Services Branch require a one-time license cost and annual software and support services to remain useful. These costs ensure that:

- The applications continue to operate properly by correcting any deficiencies.
- Are updated periodically with new and/or improved functionality.
- Support from the manufacturer can be obtained at no additional fee 24/7.

5. Financial Considerations

Private Attachment 1 summarizes the 2017 annual costs and the estimated annual costs for extension years for each application. The five year total cost is

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based on the continued utilization over the five years and factors an estimated change in user software license requirements. These costs will be accommodated in proposed future budgets for the Audit Services Branch.

6. Local Municipal Impact

The Audit Services Branch provides audit services to a number of the local municipalities under an Audit Services Memorandum of Understanding.

Continued use of established software applications will help to ensure the Audit Services Branch can continue to perform audit services for the local municipalities.

7. Conclusion

Audit Services uses two software applications, and seeks approval for the extension and/or renewal of existing vendor agreements as detailed in Private Attachment 1.

For more information on this report, please contact Paul Duggan, Director Audit Services at 1-877-464-9675 ext. 7120.

The Senior Management Group has reviewed this report.

January 16, 2018

Private Attachment (1)

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Accessible formats or communication supports are available upon request