



OFFICE OF THE CITY AUDITOR COLORADO SPRINGS, COLORADO

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21-24 Colorado Springs Utilities Customer Technology Modernization Program

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Purpose

The purpose of this project was to monitor the replacement of Colorado Springs Utilities' billing system. The audit included monitoring of data governance, security, quality assurance, and internal controls.

Highlights

We conclude the procurement work undertaken during 2021 to select a System Integrator (SI) for updating the existing billing system software was in compliance with Utilities' internal policies and procedures. Data governance, security, and quality assurance were all factors incorporated in the supplier responses and the negotiated Statement of Work (SOW) in the final contract. The Office of the City Auditor (OCA) reviewed only the vendor selection process for this audit report and we found no issues with the process used.

Colorado Springs Utilities has begun work on a multi-year program for updating their billing system and key related applications. Selection of the SI for reimplementation of the billing software was the main focus for the program in 2021. A vendor was selected as the SI and a contract in the amount of \$11,523,735 was executed October 4, 2021.

The Request for Proposal (RFP) process was followed and five qualified firms submitted competitive responses. We monitored and reviewed the selection process for compliance with internal policies and procedures. We also reviewed the SOW and draft contract documents to provide direct feedback to Utilities. The evaluation process included Utilities' staff members from Billing and Business Solutions, Procurement Services, Information Technology, Customer Project Execution, Field Service Support, and Technology Delivery. The selection process included written proposals, reference checks, and interviews of finalist firms. We found the selection process to be in accordance with the best value selection as defined by Utilities procurement guidelines.

The OCA will continue monitoring the Customer Technology Modernization program.

This audit was conducted in conformance with the International Standards for the Professional Practice of Internal Auditing, a part of the Professional Practices Framework promulgated by the Institute of Internal Auditors.