
Statement of Work

Business Continuity Project

Submitted on August 8, 2017 for
SPC on Finance on August 14, 2017



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City of Saskatoon SPC on Finance
222 Third Avenue North
Saskatoon, Saskatchewan S7K 0J5

Statement of Work – Internal Audit Plan – Business Continuity Project

Recommendation:

- **That the enclosed Statement of Work for the Business Continuity Project be approved.**

Please find enclosed the Statement of Work for the above referenced project. Note that the total proposed scope of the project is 400 hours. Detailed planning and preparation for the project have been ongoing since May 2017 and detailed fieldwork efforts on the project will continue upon approval of the Statement of Work by SPC on Finance.

Yours truly,

PricewaterhouseCoopers LLP

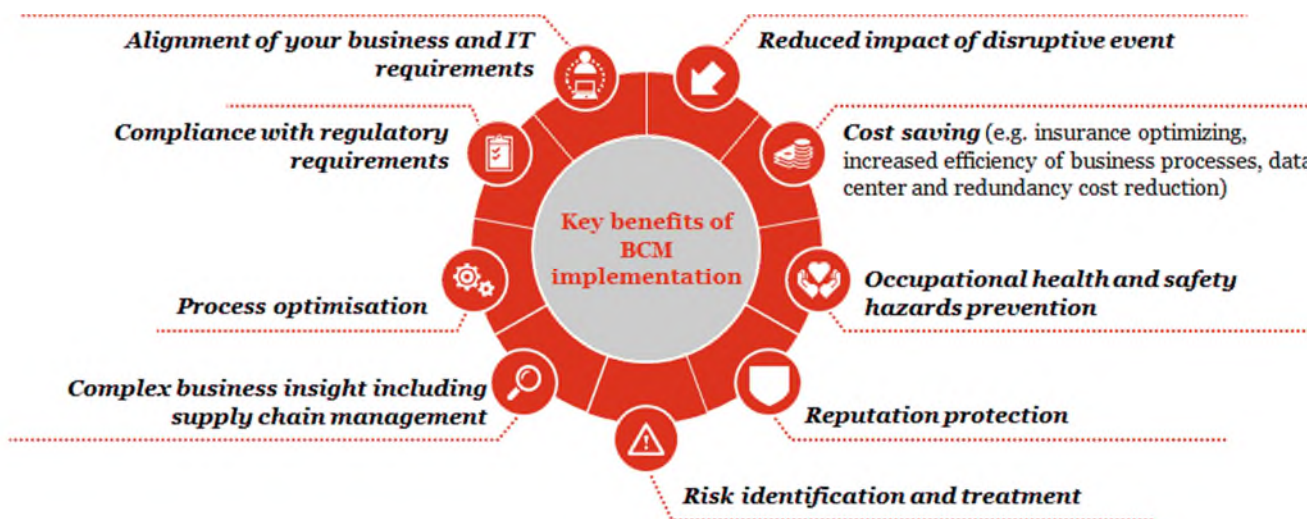


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1. Background

Business Continuity is defined as sustaining an organization’s essential functions and processes during and after a disruption. Business Continuity Management is a holistic management process that identifies potential threats to an organization and the impacts to business operations those threats, if realized, might cause. It provides a framework for an organization to restore its critical operational activities, manage communications, and minimize financial and other negative effects caused by the interruption to normal business activities.

Business Continuity includes both technology recovery capability (often referred to as disaster recovery) and the business units’ recovery capability. When developing Business Continuity Plans, an organization typically considers the impact of various natural or human-made business interruptions or disasters which differ in severity. These business interruptions or disasters may or may not be predictable; however, they are typically short in duration or have limited scope. The many benefits of a Business Continuity Management Program are illustrated below:



2. Scope of Work and Approach

The City’s Strategic Risk Register identified Business Continuity as a high risk for the City. Risk A&FS-1 states that “The City may not be prepared to quickly and effectively resume operations in the event of a serious incident, accident, disaster or emergency”.

The objective of this Internal Audit project is to assess the City’s current strategy to address business interruptions as well as to assess the adequacy of resources available to implement it. Typically, in line with the ISO 22301:2012, a business continuity strategy would include a governance structure along with processes to operate, monitor, review, maintain and continually improve the Business Continuity Management Program.

Internal Audit will be drawing on PwC’s global Business Continuity Management (“BCM”) methodology to perform this project. This methodology was developed by combining key attributes from three relevant international preparedness standards¹ as well as other relevant leading practice guidance and various regulatory requirements.

Our approach will include the discrete but connected phases as described below to assess the current state of the City’s business continuity processes and plans and to provide the City with recommendations for implementing and maintaining a fully integrated, corporate-wide Business Continuity Management Program along with documented Business Continuity Plans for its critical services or functions.

¹ ISO 22301-2012, ISO/PAS 22399-2007, and NFPA 1600-2009

Phase 1: Business Continuity Management Program Assessment

Objective - Provide an assessment of the current level of maturity of the City's strategy for maintaining and operating a Business Continuity Program as well as an assessment of the adequacy of resources available for tactical execution of the strategy.

Approach - Internal Audit will conduct an assessment of the governance, systems, processes, and controls in place to execute business continuity management at the City. The assessment will also look at whether there are adequate resources available to sustain the Business Continuity Management Program. The performance of this phase will include interviews and a review of legislative documents as well as any current business continuity plans at the Divisional level.

Internal Audit will also be assessing the City's current state of maturity against the Maturing BCM – model based on PwC's global Business Continuity Methodology.

Deliverable - A written report including observations on the City's current business continuity strategy, based on ISO 22301:2012 and Business Continuity Management good practices, as well as actionable recommendations and detailed required action items to enable the City to further develop implementation plans for Business Continuity.

The report will also describe the level of maturity of the City's current Business Continuity Management and the recommended steps to move along the maturity scale and will provide a summary of the outcome of Business Impact Analysis and Business Continuity Plan activities, which are described in Phase 2 immediately below.

Phase 2: Business Continuity Plans for Critical Services or Functions

Objectives - Provide the City Administration with support in creating and completing Business Impact Analysis and Business Continuity Plans for critical services or functions.

Approach - Internal Audit will work with City Administration to identify services and business functions that are critical to the organization in meeting citizen expectations and legislative requirements. The performance of this phase will include a workshop with Directors and key staff to discuss how to develop Business Continuity Plans.

Deliverables – The deliverables for this phase of the project include the following:

To support the identification of critical services for the purpose of the Business Continuity Plan:

- Draft list of critical services and functions for City Administration's approval.

To support the risk and priority ranking of activities, for critical services, within the Business Continuity Plan:

- Business Impact Analysis questionnaire; and
- Business Continuity Plan Workshop.

To support the ongoing operation and further development of the Business Continuity Plan:

- Business Impact Analysis templates with guidance; and
- Business Continuity Plan templates with guidance.

3. Stakeholders

The key stakeholders of the project from the City's Administration include the Director of Corporate Risk, the Director of Information Technology, and the Superintendent of Offices, Facilities & Fleet Management. As this project impacts the organization as a whole, the Leadership Team is also a key stakeholder.

4. Budget

Our fees are based on actual hours incurred at the agreed upon hourly billing rates in the “Internal Audit Services Agreement” dated January 1, 2015. Specifically, sections 6(4) and 6(6) of the “Internal Audit Services Agreement” specify hourly rates to be charged. We estimate our fees for the completion of our services under this Statement of Work will be \$66,000 plus out of pocket expenses and applicable taxes, which will be charged on an actual basis. We estimate out of pocket expenses to be \$6,000.