

# City of Gainesville

City Hall  
200 East University Avenue  
Gainesville, Florida 32601



## **Meeting Agenda - Final**

**July 17, 2018**

**11:00 AM**

**City Hall, Room 16**

## **Audit and Finance Committee**

*Mayor Lauren Poe, Chair  
Mayor-Commissioner Pro Tem Adrian Hayes-Santos, Member*

*If you have a disability and need an accommodation in order to participate in this meeting, please contact the Office of Equal Opportunity at (352) 334-5051 at least two business days in advance. TTY (Text Telephone Telecommunication Device) users please call 711 (Florida Relay Service). For Speech to Speech (STS) relay, please call 1-877-955-5334. For STS Spanish relay, please call 1-877-955-8773. For STS French Creole relay, please call 10877-955-8707.*

**CALL TO ORDER****ROLL CALL****ADOPTION OF THE AGENDA****APPROVAL OF MINUTES**[180152.](#)**Minutes of the Audit and Finance Committee of June 12, 2018 (B)****RECOMMENDATION**

*The Audit and Finance Committee approve the minutes of June 12, 2018 as circulated.*

[180152 June12Minutes 20180717.pdf](#)

**DISCUSSION OF ITEMS**[180145.](#)**Selection of External Auditors for Professional Auditing Services (B)**

*Explanation: Florida Statutes section 218.39 and Gainesville Code of Ordinances section 2-433 require the City Commission to employ an independent certified public accountant, not connected with the government of the City, to audit the accounts maintained and the financial statements prepared by the City for each fiscal year. Resolution 150127 requires the City Auditor to be responsible for coordinating all financial audits, preparing Requests for Proposals (RFP) for external audit firms, evaluating and rating all proposals, monitoring the progress of the audit, and ensuring that contractual terms have been fulfilled.*

*In 2016, the City's professional auditing services contract was bid. The General Government segment was awarded to Carr, Riggs, & Ingram, LLC, by the City Commission on February 2, 2017, for a contract period of three years beginning with the fiscal year 2017 audit. The contract required delivery of the combined financial statements and "all required reports" by January 31, 2018. On May 24, 2018, the City Auditor provided formal notice that the audit firm was in default of the contract for failure to timely deliver the required financial reports and allowed 10 calendar days to cure the default or risk the City exercising its right to terminate the contract for cause. On June 6, 2018, the City Auditor advised that the firm remained in default for failure to deliver the required financial statements. On June 12, 2018, the City Auditor issued formal notice to Carr, Riggs, & Ingram, LLC, that the failure to timely cure the default was considered a breach of contract and that effective June 13, 2018, the City would pursue seeking bids for new external auditors for the remaining two years of the contract.*

On June 12, 2018, the Fiscal Year 2017 audited financial reports were presented to and accepted by the Audit and Finance Committee and subsequently submitted and approved by the City Commission on June 21, 2018. The City Auditor provided the Audit and Finance Committee a status update on the cancelled contract and the need to issue a new RFP for the remainder of the original contract term.

On June 13, 2018, a Request for Proposals was issued seeking professional services for the General Government audit segment for a period of two fiscal years beginning with the fiscal year ending September 30, 2018, with the option to negotiate and extend the contract for two additional two-year periods. On June 28, 2018, the City received five (5) responses. Each proposal contained a technical qualifications proposal and a separately sealed price proposal. The proposals were evaluated in accordance with the technical criteria set forth in the RFP, excluding price proposals, by a three-member evaluation team consisting of one representative from the General Government Finance Department, one representative from the GRU Finance Department, and one City Auditor staff member. Proposals were assigned a composite score based on the technical and written criteria. Purchasing staff then opened the fee proposals and assigned points to the price proposals with higher points given to the lowest submitted fee proposal in each case. Qualified local businesses received an additional five percent of the total evaluation points in accordance with the City's Local Preference Ordinance. Final composite scores and rankings were then computed, and the two (2) highest ranked firms are tabulated as follows:

1st - Purvis, Gray & Company, LLP  
2nd - James Moore & Co., PL

*Fiscal Note:* Professional Auditing Service fees for the General Government audit segment are included in the budget. The first-ranked firm submitted a first-year price fee of \$95,600. The RFP was structured to allow for annual price adjustments beginning with the second year based on the Consumer Price Index (CPI) for the Southern Region, all urban consumers, all items, with a five percent (5%) limit on any increase. Prices will be negotiated should the City choose to extend the contract for the optional two (2) year extensions.

**RECOMMENDATION**

The Audit and Finance Committee recommend the City Commission:

- 1) Accept the final ranking of the proposals for external auditing services for the General Government segment; and
- 2) Authorize the City Auditor to execute a professional services contract with the top-ranked firm for a period of two years beginning with the fiscal year 2018 audit, with an option to negotiate and extend the contract for up to two additional two-year periods, subject to approval of the City Attorney as to form and legality.

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[180145A\\_RFP Professional Auditing Svc-ADD#1-FINAL\\_20180717](#)  
[180145B\\_RFP Professional Auditing Svc-ADD#2-FINAL\\_20180717](#)  
[180145C\\_RFP Professional Auditing Svc-ADD#3-FINAL\\_20180717](#)  
[180145D\\_190002-RFP Professional Auditing Svc-BID RECORD\\_20180717](#)  
[180145E\\_Cherry Bakaert Pricing\\_20180717](#)  
[180145F\\_Cherry Bekaert2\\_20180717](#)  
[180145G\\_Clifton Larson Allen FINAL\\_20180717](#)  
[180145H\\_Clifton Larson Allen Price Proposal FINAL\\_20180717](#)  
[180145I\\_James Moore\\_20180717](#)  
[180145J\\_Mauldin & Jenkins\\_20180717](#)  
[180145K\\_Purvis Gray & Co Proposal\\_20180717](#)  
[180145M\\_190002-RFP Professional Auditing Svc GG-Evaluation Forms\\_20180](#)  
[180145N\\_190002-RFP Professional Auditing Svc GG-Evaluation Forms\\_20180](#)  
[180145O\\_190002-RFP Professional Auditing Svc GG-Price Proposal Record\\_2](#)  
[180145P\\_190002-RFP Professional Auditing Svc GG-Price Proposal Record\\_2](#)  
[180145Q\\_Evaluator 1 Scores\\_20180717](#)  
[180145R\\_Evaluator 2 Scores\\_20180717](#)  
[180145S\\_Evaluator 3 Scores\\_20180717](#)  
[180145T\\_Request to waive oral presentation\\_20180717](#)  
[180145U\\_Award Public Notice-Notification\\_20180717](#)  
[180145V\\_Cherry Bekaert Letter\\_20180717](#)  
[180145W\\_CliftonLarsonAllen Letter\\_20180717](#)  
[180145X\\_Dept Recommendation Form\\_20180717](#)  
[180145Y\\_James Moore & Co Letter\\_20180717](#)  
[180145Z\\_Mauldin & Jenkins Letter\\_20180717](#)  
[180145AA\\_Purvis Gray and Company Letter\\_20180717](#)  
[180145BB\\_Mauldin Jenkins Price Proposal\\_0717](#)  
[180145CC\\_Purvis Gray & Co Proposal\\_0717](#)  
[180145DD\\_Purvis Gray Price Proposal\\_0717](#)

**MEMBER COMMENT****CITIZEN COMMENT****NEXT MEETING DATE****ADJOURNMENT**

