

City of Gainesville

*City Hall
200 East University Avenue
Gainesville, Florida 32601*



Meeting Agenda - Final

May 31, 2016

5:00 PM

City Hall, Room 16

Audit and Finance Committee

*Mayor Lauren Poe, Chair
Mayor-Commissioner Pro Tem Helen Warren, Member*

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ROLL CALL**ADOPTION OF THE AGENDA****APPROVAL OF MINUTES**[160025.](#)**Minutes of the Audit and Finance Committee Meeting of March 29, 2016 (B)****RECOMMENDATION**

The Audit and Finance Committee approve the minutes of March 29, 2016 as circulated.

[160025 March 29, 2016 Minutes 20160531.pdf](#)

DISCUSSION[160037.](#)**Fiscal Year 2016 Quarterly Monitoring Report and Fund Review Update - Quarter Ending March 31, 2016 (B)**

Explanation: The City's General Government Budget Policy requires staff to prepare and submit a quarterly budget monitoring report for all major operating funds, including the status of General Fund fund balances to the Audit and Finance Committee. Along with this report, staff is providing the quarterly update of the available fund status for all General Government funds report.

RECOMMENDATION

The Audit and Finance Committee review and recommend that the City Commission receive the quarterly budget monitoring report and the fund review update for the quarter ended March 31, 2016.

[160037A FY16 2nd Qtr All Funds Monitoring Report 20160531.pdf](#)

[160037B FY16 2nd Qtrly Rpt 6 months ending 3-31-16 20160531.pdf](#)

[160024.](#)**Second Quarter Amendment through March 31, 2016 to the FY 2015-2016 General Government Financial and Operating Plan (B)**

Explanation: The purpose of this amendment is to accurately reflect and incorporate into the City's FY 2015-2016 General Government budget those transactions and activities that were not anticipated during the budget process.

Fiscal Note: All of the recommended changes are funded either by increases in revenue budgets, decreases in expenditure budgets, or decreases in appropriate fund balances.

RECOMMENDATION

The Audit and Finance Committee: (1) Review the proposed amendatory budget resolution; and if acceptable, (2) recommend that the City Commission adopt the proposed resolution.

[160024A Resolution - FY16 2nd Qtr Budget Amendment 20160531.pdf](#)

[160024B Attachment A - FY16 2nd Qtr Amendatory 20160531.pdf](#)

[160035.](#)**Gainesville Regional Utilities Unaudited Internally Prepared Financial Statements for the Period Ended March 31, 2016 (B)**

Explanation: The following item is presented for review: Unaudited Financial Statements for the period ended March 31, 2016, internally prepared including management's discussion and analysis.

RECOMMENDATION

The Audit and Finance Committee review and recommend the City Commission accept the GRU Unaudited Internally Prepared Financial Statements for the period ended March 31, 2016.

[160035 GRU Unaudited Interim Financial Statements PE 5-31-16 20160531.pdf](#)

[160026.](#)**Gainesville Regional Utilities Internally Prepared Supplementary Data for the Period Ended March 31, 2016 (B)**

Explanation: The following item is presented for review: Supplementary Data for the period ended March 31, 2016, internally prepared.

RECOMMENDATION

The Audit and Finance Committee review and recommend the City Commission accept the GRU Internally Prepared Supplementary Data for the period ended March 31, 2016.

[160026 2nd Qtr FY16 GRU Supplementary Data 20160531.pdf](#)

[160034.](#)**Audit of Historic Preservation Board Processes and Practices (B)**

Explanation: In accordance with our Annual Audit Plan, the City Auditor's Office has completed the audit of the Historic Preservation Board Processes and Practices. We conducted this audit in accordance with Government Auditing Standards issued by the Comptroller General of the United States. Our report and the City Manager's response are attached for your review.

RECOMMENDATION

The Audit and Finance Committee recommends that the City Commission accept the City Auditor's report and the City Manager's response.

[160034 Audit of Historic Preservation Board 20160531.pdf](#)

[160047.](#)

Issuance of Request for Proposals for Professional Auditing Services (NB)

Explanation: The City's general government current contract for professional auditing services expires after completion of all reports associated with the financial audit for the fiscal year ending September 30, 2016 (current year) with no extensions possible. Gainesville Regional Utilities' contract for professional auditing services expires after completion of all reports associated with the financial audit for the fiscal year ending September 30, 2016 (current year) with one 3-year extension possible. In order to get both contracts on the same cycle, and provide an opportunity for contractors to bid on both the general government audit and the Gainesville Regional Utilities audit, an RFP must be undertaken.

Florida Statutes section 218.39, Annual Financial Audit Reports, and Gainesville Code of Ordinances section 2-43, Annual Audit of Accounts, require an annual financial audit be conducted by an independent certified public accountant. The process described below meets the auditor selection guidelines for the State of Florida, the American Institute of Certified Public Accountants (AICPA) and the Government Finance Officers Association (GFOA). Florida Statutes section 218.391, Audit Selection Procedures, requires the use of an audit committee to assist the governing body in issuing a request for proposal (RFP) for the solicitation of audit services and developing a selection and negotiation process. The City Auditor is tasked by the Gainesville Code of Ordinances Section 2-176 with working with the Audit and Finance Committee to establish evaluation factors, issue the request, and ranking external auditors.

RFP Approach

City finances are segmented into two major areas, General Government and Gainesville Regional Utilities (GRU). The General Government segment also includes audits of the City's pension and other post-employment benefit funds, CRA and Wild Places and Public Spaces. Firms may propose on the General Government segment, the GRU segment or both segments. Firms may submit multiple proposals for evaluation and may also submit joint proposals.

Proposal Evaluation Process

Evaluators within the City Auditor's Office, CRA, and the General Government and GRU Finance Departments will review proposals against established criteria. The evaluation process will be performed consistent with the City's Professional & Other Services Evaluation Handbook and conducted in three phases:

Phase 1: Evaluators will review each proposal and determine if each is responsive to the minimum mandatory technical provisions of the RFP. Mandatory criteria include items such as license to practice in Florida, being independent and having no conflict of interest.

Phase 2: All responsive proposals will be evaluated according to listed criteria (see Table 1 below) and assigned a composite score for technical criteria, excluding the Fee Proposal.

Phase 3: For firms deemed qualified, Purchasing staff will open Fee Proposals and assign points to each proposal with higher points given to the lowest submitted Fee Proposal. Based on the combined technical and fee proposal evaluations, the City may request oral presentations from the top ranked vendors to obtain additional information regarding firm qualifications, project approach, and ability to furnish the required services.

The evaluation process includes assessing the following criteria and assigning up to the maximum composite score for each proposal. Qualified local businesses will be assigned an additional five percent of the total evaluation points in accordance with the City's Local Preference Ordinance.

Evaluation Criteria and Maximum Points

- 1. Ability of Professional Personnel - 55*
- 2. Capability to Meet Time and Budget Requirements - 45*
- 3. Understanding of Project Scope of Work - 30*
- 4. Project Approach and Methodology - 30*
- 5. Project Manager - 15*
- 6. Project Team - 15*
- 7. Project Schedule - 5*
- 8. Proposal Organization - 5*
- Subtotal Maximum Points - 200*
- 9. Fee Proposal - 100*
- 10. Oral Presentation, if needed - 100*
- Total Maximum Points - 400*

Proposed Contract Award

Responsive proposals will be ranked based on a combination of technical qualifications, written proposals, fee proposals and oral presentations, if necessary. Recommended rankings of proposals will be presented to the Audit and Finance Committee for review, approval and recommendation to the City Commission. The City Commission will be requested to approve the recommended rankings and authorize negotiation and execution of a contract beginning with the top ranked vendor(s).

A contract term of five years with an option for one three-year extension is recommended for this contract. It is also recommended that the contract provide for price adjustments during years two through five

according to the previous years' Consumer Price Index (CPI) with a five percent annual limit on any increase or decrease. Should the City choose to extend the contract for the optional three-year extension, prices will be negotiated with the contractor.

Proposed Time Table

The following is the anticipated schedule for the RFP, evaluation process and approvals of ranking recommendations:

- RFP available for distribution - September 2016*
- Pre-Proposal Conference (Non-mandatory) - October 2016*
- Deadline for receipt of questions - October 2016*
- Deadline for receipt of proposals - November 2016*
- Completion of Evaluation process - December 2016*
- Oral presentations, if conducted - December 2016*
- Ranking & recommendation presented to*
Audit & Finance Committee - January 2017
- City approval of recommendation - January 2017*

RECOMMENDATION

The Audit and Finance Committee recommend the City Commission authorize the issuance of a Request for Proposals (RFP) for professional auditing services utilizing the proposed methodology and selection factors.

MEMBER COMMENT

CITIZEN COMMENT

NEXT MEETING DATE

TBD

ADJOURNMENT