



CITY COMMISSION STAFF REPORT

DEPARTMENT: Finance

SUBJECT: Motion to Approve External Audit Services (RFP- 2022-6-FIN)

BACKGROUND OF ITEM:

The City Charter Section 5.10 states the City Commission shall provide for an independent annual audit of all City accounts, as required by F.S. § 218.39, as amended, and may provide for more frequent or special purpose audits as the City Commission deems necessary. Such audits shall be made by a certified public accountant or firm of such accountants who have no personal interest, direct or indirect, in the fiscal affairs of the city government or any of the City's officers. No certified public accountant or partner at a firm of such accountants who is responsible for the City's audit shall participate in the City's audit if that individual has performed audit services for the City in each of the five (5) previous fiscal years. The certified public accountant or firm of such accountants shall report directly to and communicate directly with the City Commission. Upon completion, such independent audits shall be furnished directly to the City Commission. The City Commission may by resolution provide further requirements for an independent audit.

Section 218.391 F.S., requires the City Commission to establish an audit committee, with the purpose of selecting an auditor to conduct the City's annual audit. Effective July 1, 2019, the Florida Statutes specifies the composition of the committee. The audit committee must consist of at least three members. One member must be a member of the City Commission, who shall serve as the Chair of the committee. The statute prohibits City employees from serving on the committee.

The City Commission established an Audit Selection Committee (ASC) chaired by Commissioner Shrouder. The ASC met to review the Request for Proposal (RFP) for Audit Services and establish factors for the evaluation of interested firms. The RFP was issued on August 18, 2022. Four (4) bids were received on the due date of October 20, 2022. The ASC met on November 2, 2022, to evaluate received proposal, and to select a firm to recommend to the full Commission.

ANALYSIS:

Using established factors in the issued RFP, the firms were ranked in the following order

Rankings

<u>Firm</u>	<u>Points</u>
Keefe McCullough	82pts.
CLSC & Company PLLC.	76pts.
Grau & Associates	71.7pts
S. Davis & Associate, PA	69pts.

Based on the above ranking and per Florida Statutes, the ASC recommends the highest-ranked qualified firm, Keefe McCullough, CPA's & Trusted Advisors, as the firm to provide professional audit services to the City. If awarded, Keefe McCullough, CPA's & Trusted Advisors will provide audit services for the fiscal years ending September 30, 2022, through 2024 with two optional years extending out to 2026.

The Firm's dollar cost proposal is also attached as reference. The highest-ranked qualified firm's dollar proposal for the fiscal year ending 2022 is \$45,500, which is currently budgeted at \$47,438.

STRATEGIC PLAN:

The hiring of a qualified external auditor will provide the City's staff, governance, and citizens with an independent professional assessment of the City's financial position and financial record keeping status. This engagement will support the strategic objective of sustainable financial position by validating the City's current financial status.


FISCAL IMPACT:

<u>General Ledger Acct. Number</u>	<u>Account Name</u>	<u>Budgeted Amount</u>	<u>Requested Amount</u>	<u>Remaining Amount</u>
001-130-531170-513	Professional Services - Audit Services	\$35,200	\$35,200	\$0
450-950-531170-536	Professional Services - Audit Services	\$12,238	\$12,238	\$0

ATTACHMENTS:

1. Cooper City Agreement – Keefe McCullough
2. Exhibit A – Solicitation – RFP 2022-6 FIN – Audit Services
3. Exhibit B – Keefe McCullough Submittal

- 4. Evaluation Committee Ranking Tabulation
- 5. Keefe McCullough – Vendor Compliance

Workflow History 			
User	Task	Action	Date/Time
Allen, Tedra	NEW ITEM: Not Yet R...	*COMPLETE: ...	11/09/22 01:13 PM
Horowitz, Jacob	Assigned to Attorney	COMPLETE: F...	11/09/22 01:29 PM
<i>The agreement was revised on 11/10. Please ensure that the updated version is included in the back-up.</i>			
Napoli, Joseph	Assigned to City Mana...	COMPLETE: F...	11/10/22 09:44 AM
Allen, Tedra	Assigned to City Clerk	APPROVE ITE...	11/10/22 09:49 AM
Allen, Tedra	END WORKFLOW - A...		11/10/22 12:49 PM