

STAFF REPORT REGULAR MEETING

AGENDA DATE: June 17, 2025

DEPARTMENT: Finance Department

TITLE:

Approval of the establishment of an Auditor Selection Committee for the Annual Independent Financial Auditing Services

SUMMARY:

The auditor selection law requires that the governing body of each county, municipality, special district, district school board, charter school, and charter technical career center establish an auditor selection committee. The Finance Department is seeking approval of the establishment of an Auditor Selection Committee for the Annual Independent Financial Auditing Services

BACKGROUND AND JUSTIFICATION:

The City requested proposals from certified public accounting firms to audit its financial statements. These audits are to be performed in accordance with generally accepted auditing standards, the standards set forth for financial audits in the U.S. General Accounting Office's (GAO) Government Auditing Standards, the provisions of the Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), Audits of State and Local Governments (Revised) – AICPA, Section 215.97 and F.S. 218.39, Florida Statutes, Florida Single Audit Act; and Chapter 10.550 Local Governmental Entity Audits, Rules of the Auditor General, State of Florida and any other applicable Federal, State and local laws and regulations.

Section 218.391, Florida Statutes, the auditor selection law, requires that the governing body of each county, municipality, special district, district school board, charter school, and charter technical career center establish an auditor selection committee. The auditor selection committee for a municipality must consist of at least three members, one of which must be a member of the governing body and who must serve as the committee chair. The Finance Department requested Vice Mayor Malega to serve as a Committee Chair.

No employee of the municipality may serve as a member of the auditor selection committee; however, an employee of the county, municipality, special district, district school board, charter school, or charter technical career center may serve in an advisory capacity.

GFOA best practices recommend that all members of the committee should possess or obtain a basic understanding of governmental financial reporting and auditing. The audit committee also should have access to the services of at least one financial expert which in this case is the City's Finance Director. The City's Finance Department Director has served as an evaluation committee member for their auditor selections at different municipalities and the Finance Department has requested those municipalities financial experts to serve as the committee members.

Auditor Selection Committee shall be established with the following members:

1. Sarah Malega, Vice Mayor, City of Lake Worth Beach (Elected official, Chair of the Evaluation Committee)
2. Bob Miracle, Deputy Town Manager, Finance and Administration, Town of Palm Beach
3. Cristine Cajuste, Director of Financial Services, City of Tamarac
4. Najdi Reynolds, Assistant Finance Director, City of Riviera Beach

The established evaluation committee is effective from April 17, 2025 until the City Commission approves the recommended agreement and the agreement award.

MOTION:

Move to approve/disapprove establishment of the Auditor Selection Committee as proposed.

ATTACHMENT(S):

Fiscal Impact Analysis n/a