

**OFFICE OF THE CITY COUNCIL**

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**Finance Audit Subcommittee Meeting Minutes - Amended**

**February 26, 2015**

**3:00 p.m.**

**Topic:** Finance Audit Subcommittee meeting

**Location:** Conference Room A, City Hall – St. James Building; 117 West Duval Street,

Suite 425

**In attendance:** Council Members Matt Schellenberg, John Crescimbeni

**Excused:** Council Member Doyle Carter

Also: Kirk Sherman, Phillip Peterson, Robert Campbell, Brian Parks and Kim Taylor– Council Auditor’s Office; Paige Johnston – Office of General Counsel; Jeff Clements – Council Research Division; Jessica Morales – Legislative Services Division

**Meeting Convened**: 3:00 p.m.

Chairman Schellenberg convened the meeting and asked Council Auditor Kirk Sherman to review the results of the RFP ranking process for the City’s independent auditor. Mr. Sherman reported that RFPs had been sent to16 accounting firms, of which 5 responded in a timely manner and 1 responded after the deadline. Mr. Sherman, ~~Assistant Auditor Kyle Billy~~ Principal Auditor Phillip Peterson and Chairman Schellenberg independently reviewed the 5 timely responses and all three ranked the top 3 firms in the same order: Carr, Riggs and Ingram, LLC (276 points); Crowe Howarth, LLP (261 points) and McGladrey, LLP (241 points). Mr. Sherman noted that all three firms propose to use the firm of Dufresne and Associates as their minority participation contractor to perform the federally-required single audit portion of the contract. All three firms are among the 25 largest accounting firms in the country and have the capability and reputation to perform the work.

**Motion** (Crescimbeni): the Audit Committee authorizes the Council Auditor to negotiate a contract for the City’s independent audit with the three top-ranked firms in rank order, beginning with Carr, Riggs and Ingram, LLC – **approved 2-0.**

Mr. Sherman informed the committee that he had been informed that the Supervisor of Elections had recently requested a legal opinion from the General Counsel’s Office about whether the Council Auditor has the legal right to audit the operations of the City’s constitutional officers, and that attorney Sandra Stockwell had opined that the Council Auditor does not have that right under the City Charter. Principal Auditor Kim Taylor added that the opinion said the Auditor’s Office does not have the right to conduct any performance audits, which is primarily what the office does in the way of audits. Mr. Sherman was not consulted by the General Counsel’s Office during the preparation of the opinion has spoken to General Counsel Jason Gabriel about the opinion and will be requesting that a binding legal opinion be issued on the subject. Council Member Crescimbeni requested that all Audit Committee members be provided with a copy of the Stockwell opinion and be kept advised of future developments regarding the resolution of this question.

**Meeting Adjourned**: 3:13 p.m.

Minutes: Jeff Clements, Council Research Division

2.26.15 Posted 4:30 p.m.

Tapes: Finance Audit Subcommittee meeting– LSD

2.26.15

Documents: Council Auditor’s RFP ranking

2.26.15