



# City of San Antonio

## Agenda Memorandum

**File Number:**17-3497

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**Agenda Item Number:** 5.

**Agenda Date:** 5/30/2017

**In Control:** Audit Committee

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CITY OF SAN ANTONIO  
FINANCE DEPARTMENT  
AUDIT COMMITTEE  
INTERDEPARTMENTAL MEMO

**TO:** Sheryl Sculley, City Manager

**FROM:** Troy Elliott, CPA, Deputy Chief Financial Officer

**COPY:**High Profile Contract Council Committee; Ben Gorzell Jr., CPA, Chief Financial Officer; Kevin Barthold, City Auditor

**SUBJECT:** Post-Solicitation Briefing for External Independent Audit Services

**DATE:** May 30, 2017

Staff provided a briefing to the Audit Committee on November 15, 2016 surrounding the requirements and process related to the External Independent Audit Services Contract Request for Proposal (RFP). This RFP is a high profile contract based on its value, community interest and technical nature and was released on January 13, 2017 with proposals received on February 17, 2017. The following requirements were included in the RFP as follows:

- **Contract Term** - A three year base term to include the required audits for the fiscal years ending September 30, 2017, 2018 and 2019, with two (2) one (1) year options to extend the Contract, with City Council approval, for fiscal years 2020 and 2021.
- **Prime/Subcontractor Relationship** - At least 40% of the Contract award amount for subcontractor(s) who met the definition of a MWBE as defined by the City's SBEDA Program.
- **Mandatory Partner Rotation** - A policy of mandatory rotation of audit partners (for the prime contractor) every five years in order to maintain auditor independence, objectivity, and credibility
- **Independence** - Requirement that the selected firm comply with the independence standards and all other standards promulgated by the AICPA, GAO and any other standards promulgated by any authoritative body

The RFP was advertised in the San Antonio Express-News and on the City's website. A total of six firms responded to the RFP. A selection committee consisting of Executives from the City Manager's Office, Finance

Department, Information Technology Services Department, and Auditor's Office, staff from the Finance Department, and an external evaluator from the University of Incarnate Word attended all six interviews, evaluated and scored the submissions based on the published criteria which included: experience, background, qualifications, and proposed plan. Price and SBEDA Program points for certified Small Business Enterprises were added after the committee's scoring to determine final scores and ranking.

This item is tentatively scheduled for Council consideration on June 15, 2017.