Chair Kniss called the meeting to order at 11:03 A.M. via Virtual Teleconference.

Participating Remotely: Cormack, Filseth, Kniss (Chair)

Absent:

Agenda Items

1. Request for Proposals for the City Auditor Function: Key Decision Points for Scope of Services, Proposer Requirements, and Process Steps.

The Committee took a break from 12:05 P.M. and returned at 12:15 P.M.

MOTION: Council Member Filseth moved, seconded by Council Member Cormack to approve the following:

A. (Decision Point 1. Option A) Direct CAO Ad Hoc Sub Committee and Management Partners to draft key consideration points for CAO Committee review/direction and obtain approval to finalize and release RFP;

B. (Decision Point 3. Option B) City Council interviews one or more candidates proposed by contractors as the City Auditor in Closed Session, as recommended by the CAO Committee;

C. (Decision Point 4. Option C) CAO Committee unless there are more than three proposals, then the initial screening by an evaluation team appointed by the CAO Committee;

D. (Decision Point 5. Option B and Decision Point 6.) Determine which firms to interview, contingent on direction from Motion, Part B;
E. (Decision Point 7. Option A and Decision Point 8. Option A) Provide budgeted amount of $750,000, with a possible addition of $250,000, in RFP and evaluate submittals based on services proposed also include the following:
   i. Provide hourly rates for staff and other charges;
   ii. Propose contract increase specifications for renewals and extensions, if exercised by the City;
   iii. Proposals can also include service and cost alternatives for additional or innovative services; and
   iv. Require proposers to include cost per audit metrics on past projects;

F. (Decision Point 9.) Recommend a two-year initial contract term with up to three additional annual renewals;

G. (Decision Point 10. Options A and B) Include in the contract a stipulation that the firm designate a temporary replacement if the position is vacated without enough time for Council to appoint a replacement, as well as a provision that affords the firm an opportunity to propose alternative(s) for Council consideration;

H. (Decision Point 15. Option B) To allow firms to submit who have private auditing experience so long as they can meet the Charter and Municipal Code requirements;

I. (Decision Point 17. Option A) Require disclosures within the last 5 years whether or not the firm was adjudged guilty or liable, and if contract termination procedures were initiated but cured;

J. (Decision Point 19. Options A and B) Provide separate resume as an attachment for individual proposed for appointment as the City Auditor, including relevant experience and certifications; and provide professional summaries and roles for other staff to be assigned or charged to this contract;

K. (Decision Point 22. Option B) Conduct risk assessments every other year and proposed audit plans every year, both for Council review and approval; and

L. (Decision Point 25. Options A and B) At least every other year, the City Auditor program will undergo a peer evaluation as provided by the Association of Local Government Auditors, and at least every other
year, the per audit costs will be summarized and compared to benchmark agencies.

MOTION PASSED: 3-0

MOTION: Council Member Filseth moved, seconded by Council Member Cormack to authorize the CAO Committee Chair to appoint an evaluation team, if necessary, consisting of Council Member Filseth, an individual from Management Partners, and a 3rd person to be designated by the CAO Committee Chair.

MOTION PASSED: 3-0

Adjournment: The meeting was adjourned at 1:29 P.M.