



INDEPENDENT AUDITING SERVICES

RS-22-110

August 16, 2022

Background

- The City's audits are required to be performed in accordance with generally accepted auditing standards set forth in the General Accounting Office's (GAO) Government Auditing Standards, the provisions of the Single Audit Act Amendments of 1996, the U.S. Office of Management and Budget (OMB) Circular A-133, and Audits of State and Local Governments
- The City Charter Section 40 states that the City Council shall designate qualified Certified Public Accountant
- The City Governance Policy states the City shall change auditors no later than every 5 years

Request for Qualification

- The City advertised a Request for Qualifications (RFQ) in which responses were sought from qualified firms to provide independent auditing services
- 5 firms responded to the RFQ
- The RFQ # 22-27 requested audit services for the fiscal years ending September 30, 2022, and 2023, with the option of renewing 3 times for an additional fiscal year, based upon satisfactory performance and the annual availability of an appropriation

Audit Fees

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FY 2022 – FY 2026

Audit	\$ 126,000
Single Audit – Base Fee	5,000
Single Audit – Major Program(1)	7,500
PFC Audit	10,000
Total	\$ 148,500
Estimated major Programs (2)	15,000
Total estimated per year	\$ 163,500

Alternatives

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- ❑ Reject the contract with Pattillo, Brown and Hill LLP and begin negotiations with one of the other four firms that submitted a response to the RFQ
- ❑ Reject all proposals and re-solicit for independent auditing services
- ❑ Approve the contract with Pattillo, Brown and Hill LLP to provide independent audit services to the City of Killeen

Recommendation

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City Council authorize the award of RFQ #22-27, Professional Auditing Services to Pattillo, Brown and Hill LLP to perform independent auditing services in an amount of \$163,500 and that the City Manager or designee be authorized to execute any change orders as permitted by state and local law