



INDEPENDENT AUDITING SERVICES

RS-17-074

August 1, 2017

Scope and Audit Approach



- City onboarding and engagement setup
- Planning, interim, and final audit
- Final delivery
- Post-audit assessment, warranty, and support

Alternatives



- ❑ Contract with Belt Harris Pechacek, LLP to provide independent auditing services to the City of Killeen
- ❑ Contract with one of the other four firms that submitted a response to the RFQ
- ❑ Do nothing

Conformity to Policy

- City Charter Section 40 states that prior to the end of each fiscal year the council shall designate qualified Certified Public Accountants who, as of the end of the fiscal year, shall make an independent audit of accounts and other evidences of financial transactions of the city government and shall submit their report to the council.
- Texas Local Government Code 103.001 states that a municipality shall have its records and accounts audited annually and shall have an annual financial statement prepared based on the audit.

Compensation

	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Maximum Price - Audit	\$109,050	\$110,958	\$112,900	\$114,876	\$116,886
Maximum Price - Single Audit*	\$9,450	\$9,615	\$9,784	\$9,955	\$10,129
Maximum Price - PFC Audit & Report	\$8,950	\$9,107	\$9,266	\$9,428	\$9,593
Total Maximum Price – All Inclusive	\$127,450	\$129,680	\$131,950	\$134,259	\$136,608

*One Major Program

**The fee estimate for additional single audit major programs is \$6,950, plus a 1.75% increase per year for inflation and regulatory costs.

Recommendation



Staff recommends that the City Council authorize the award of a professional services agreement with Belt Harris Pechacek, LLP to provide independent auditing services.