




Action

Item II.C.

Regular Meeting 07/13/00

TO: Juvenile Welfare Board Members

FROM: James E. Mills, Executive Director 
Lisa A. Sahulka, Director of Programs & Finance 
Sue Walterick, Finance Director 

Requested Action

The Board is requested to award a contract with a qualified firm of certified public accountants to audit its financial statements for the fiscal year ending September 30, 2000, with the option of auditing its financial statements for each of the two (2) subsequent fiscal years.

Options

1. Award the contract to KPMG.
2. Select another firm.
3. Reject and direct staff to rebid.

Recommended Action

1. Engage KPMG as the JWB Auditor with the condition that the designated engagement Partner will present the audit to the Board at the meeting immediately following the audit completion or as otherwise scheduled by JWB.

Source of JWB Funds

Audit fees are budgeted every year in the Finance budget.

Fiscal Impact

The amount of \$42,000 is available in the 00-01 Fiscal Year Budget for audit services.

Narrative

A Request for Proposal for Auditing Services was released on May 8, 2000, with responses due by June 9, 2000. The RFP was published in the St. Petersburg Times on Sunday, May 7, 2000.

Four responses to the RFP were received. An Audit Committee consisting of the Fiscal Analyst, Finance Director, Senior Analyst and Director of Programs & Finance reviewed the proposals.

An evaluation procedure, which was outlined in the RFP, was used by the Audit Committee to determine a point score for each firm's technical qualifications. This included the firm's expertise, experience, and audit approach. The responses were also reviewed to make certain the firms met the mandatory criteria outlined in the proposal. The Audit Committee concluded the evaluation with a ranked list of the four firms.

The evaluation process produced the following order of firms in which to begin negotiation:

KPMG, (St. Petersburg, FL)
Grau & Co., (Boca Raton, FL)
Gregory, Sharer & Stuart, (St. Petersburg, FL)
Carter, Belcourt & Atkinson, P.A., (Tampa, FL)

KPMG and Grau had comparable responses. Staff is recommending KPMG due to local accessibility. The JWB staff negotiated with KPMG representative, Donald M. "Chip" Jones to ascertain acceptability of the budgeted amount of \$42,000. This is an increase from the current \$39,000. It is the equivalent of a 3% increase from inception of the signed contract.

About the Firm and Auditing Team:

KPMG is a national firm whose local branch in St. Petersburg will be serving JWB. The staff level government services professionals in their local office have accumulated in excess of 14,000 hours of experience serving local governments including Pinellas, Pasco, & Collier Counties; the Cities of Largo, Jacksonville, & Naples; and the Pinellas Suncoast Transit Authority.

The Audit Service Team includes Donald M. "Chip" Jones, Designated Engagement Partner, who has spent a substantial portion of his 25+ years career serving local government and not-for-profit organizations, and Cathy Conroy, Designated Engagement Senior Manager, who has over nine years experience and was in this capacity for last year's audit. Supervising the engagement on a day-to-day basis and overseeing the progress of the audit will be Terri Dunbar. Ms. Dunbar is an Engagement Manager with over six years of experience and has been the Engagement Senior in the JWB audit for the past two years.

KPMG has demonstrated comprehensive knowledge and experience of governmental business, provided quality service to JWB, and maintained continuity in auditing services.

Staff recommends that JWB contract with KPMG so that plans for the September 30, 2000 audit and the subsequent two years can be implemented.

Staff Resource Persons: Beverly Lightfoot, Pam Needham