



CITY COUNCIL AGENDA REPORT

MEETING DATE: JUNE 2, 2015

ITEM NUMBER: NB-2

SUBJECT: INFORMATION REGARDING A FORENSIC AUDIT FOR THE 60TH ANNIVERSARY EVENT

DATE: MAY 19, 2015

FROM: TAMARA S. LETOURNEAU, ASSISTANT CHIEF EXECUTIVE OFFICER

PRESENTATION BY: TAMARA S. LETOURNEAU, ASSISTANT CHIEF EXECUTIVE OFFICER

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RECOMMENDATION:

Staff recommends that the City Council provide direction to staff regarding a forensic audit for the 60th Anniversary event.

BACKGROUND AND ANALYSIS:

At the April 7th City Council meeting Councilmember Foley made a request for staff to obtain information from a third party regarding a forensic audit related to the 60th Anniversary event. The accounting firm of Lance, Soll & Lunghard, LLP provided the attached letter (Attachment A) which includes the following information:

- Definition of a forensic audit
- Estimated cost of a forensic audit
- Procedure on how a forensic audit is completed

If the City Council directs staff to conduct a forensic audit on the 60th anniversary event then staff will have to retain a qualified firm through a Request for Proposal process. Further, in order to preserve the integrity of the process, staff recommends that outside assistance also be retained to manage the process.

ALTERNATIVES CONSIDERED:

An alternative is to determine that the fiscal analysis of the 60th Anniversary costs, processes and reforms that have been made provide the necessary information regarding this event.

FISCAL REVIEW:

According to the attached letter, the estimated cost of a forensic audit “is typically billed at on hourly rate and therefore the overall cost would increase based on the level and extent of work performed.” According to the CPA firm, “it is reasonable to estimate that the costs to begin the process may range from \$15,000 to \$25,000.”

CONCLUSION:

Staff recommends that the City Council provide direction to staff regarding a forensic audit for the 60th Anniversary event.

TAMARA S. LETOURNEAU
Assistant Chief Executive Officer

STEVE DUNIVENT
Interim Finance Director

Attachment A: [Letter from Lance, Soll & Lunghard LLP](#)