

# Forensic Audit RFQ Process

October 18, 2016

# Background

- Council discussed scope of forensic audit RFQ on September 20th
- Ms. Wallace asked for guidance on scope and years, then stated she would take to Audit Committee on Oct 7 and release for advertising on Oct 8, with Audit Committee approval.
- Council reached 4-3 consensus to audit FYs 2006-2015
- Agreed to arrange into 2 phases
  - Phase 1 = Finance
  - Phase 2 = Public Works & HR
- Agreed to begin with a broad scope, with the understanding it can be narrowed in the future
  - During discussions with selected CPA firm or after interim reports received

# Audit Committee Meeting

- Ms. Wallace updated RFQ with guidance received during council meeting
- Audit Committee reviewed on Oct 7, and approved advertising for one month
  - October 9 – November 4
  - COK website, Demand Star, ESBD, Ion Wave
  - Sent directly to 13 firms that have performed forensic audit work in the past
  - KDH Oct 9, 16, 23 & 30

# Audit Committee Meeting, con't.

- Committee also discussed adding one or two citizen members to audit committee
- Next meeting: October 24

# RFQ Evaluation Process

- Evaluation Committee shall screen and rate all responses
- Evaluation Criteria:
  - Firm qualifications and experience (45 points)
  - Personnel qualifications (25 points)
  - Project approach (25 points)
  - Quality of response (5 points)
- Proposers with three highest combined scores may be asked to interview
- Most qualified firm selected, and negotiations begin

# Timeline Options

- Appoint Evaluation Committee
  - Membership?
    - Audit Committee? Audit Committee + new public member(s)?
    - Committee consisting of member of audit committee, council, public, staff?
  - Appoint Oct 24, Nov 1 (special meeting), or Nov 8
- Option 1:
  - Evaluate week of Nov 7
  - Report to council on Nov 15 (workshop)
  - Interview Nov 22 (special workshop) or Nov 29 (5<sup>th</sup> Tuesday)
- Option 2:
  - Evaluate week of Nov 14
  - Report to council on Nov 22 (special workshop),
  - Interview Nov 29 or Dec 6