

**BOARD OF DIRECTORS MEETING**

**August 13, 2020**

**ITEM 6**

**CONSIDER AUTHORIZING THE GENERAL MANAGER TO SOLICIT PROPOSALS FOR FINANCIAL AUDIT SERVICES**

**SUMMARY OF RECOMMENDATION**

Discuss and consider authorizing the General Manager to solicit proposals for financial audit services.

**BACKGROUND**

For approximately fifteen years, the firm of Lamorena and Chang has been providing audit services for KPPCSD the purpose of expressing an opinion on the presentation of financial statements and making recommendations regarding internal financial controls.

The Government Finance Officers Association (GFOA) advises that governmental entities enter into multiyear agreements of at least five years in duration when obtaining the services of independent auditors, and that entities undertake a competitive process for the selection of independent auditors at the end of the term of each audit contract. Most recently, audit services for the year ending June 30, 2019 were provided by Lamorena and Chang under a single year proposal for a fee of \$17,000.

The purpose of this agenda item is to determine whether or not the Board of Directors would like to direct the General Manager to solicit proposals for financial audit services. Options for the Board include (1) preparing and issuing an RFP for audit services for an expected five-year contract, or (2) offering an extension to Lamorena and Chang for a contract of one, or more, additional year(s).

**RECOMMENDATION**

Discuss and consider authorizing the General Manager to solicit proposals for financial audit services.

**FISCAL IMPACT**

Estimated costs associated with completion of the annual audit for the year ending June 30, 2020 are included in the FY 2020-21 budget.

**SUBMITTED BY:**

Bill Lindsay  
Interim General Manager