



City of Culver City

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Staff Report

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Item #: A-3

SELECTION OF A FINANCE ADVISORY COMMITTEE MEMBER TO PARTICIPATE IN AN INTERVIEW PANEL FOR THE EVALUATION OF INTERNAL AUDITING SERVICES VENDORS

Meeting Date: April 12, 2023

Contact Person/Dept: Melissa Zak/Finance Department

Phone Number: (310) 253-5865

Fiscal Impact: Yes No

General Fund: Yes No

Public Hearing:

Action Item:

Attachments: Yes No

Commission Action Required: Yes No

Public Notification: (E-Mail) Meetings and Agendas - Finance Advisory Committee (04/06/2023)

Department Approval: Lisa Soghor, Chief Financial Officer (04/06/2023)

BACKGROUND / DISCUSSION

The City of Culver City has many internal controls in place in each department that impact the daily conduct of business, protect employees/customers/clients, safeguard assets, mitigate risks, and allow for accurate financial reporting (including financial projections). Over the years, the City Finance Department performed limited monitoring of these internal controls.

In 2015, the City Council requested that the City increase the review of these internal controls. Sufficient staff time and expertise were not available for the work to be done in-house, and a Request for Proposal (RFP) was issued to solicit bids from qualified firms. The City hired a consultant who performed the various internal audits (Enterprise Internal Control Review, Enterprise Risk Assessment, Grant Management Internal Controls, Cash Handling Internal Controls Improvement and Fraud, Waste and Abuse Program) and presented the audit reports to City Council. The City made many improvements in its work process based on the recommendations from the audit reports, and the Internal Audit Division is currently working on updating financial policies. The contract with the consultant ended in 2020.

The City has decided to conduct another audit of internal controls in Fiscal Year 2023-2024. On February 23, 2023, the City issued a new RFP for internal auditing services. Proposals were due on April 6, 2023 and finalists will be selected on April 20, 2023.

A representative of the Finance Advisory Committee (FAC) is invited to participate in the interview panel the week of May 8, 2023 to assist with the evaluation of finalists.

FISCAL ANALYSIS

None.

ATTACHMENTS

1. 2023.04.12 ATT1 - RFP # 2323

MOTION

That the Finance Advisory Committee:

1. Select one member to represent the FAC on the interview panel evaluating internal auditing service vendor finalists during the week of May 8, 2023