

Resolution Authorizing Professional Services Agreement Between the City of Greensboro and
Cherry Bekaert LLP to Provide Independent Audit Services for Fiscal Years 2017 - 2019, With Two
Annual Renewals Thereafter, Subject to Annual Evaluation, and to Provide Pension Census Testing
Services for FY 2017

WHEREAS, in accordance with N.C.G.S. 159-34(a), the North Carolina Local Government Commission (LGC) requires that the full governing board takes action in approving independent audit contracts for units of local government and that the selected auditors shall report directly to the board;

WHEREAS, the City has been selected by the Office of the State Auditor for a one-time pension census testing procedure in FY 2017;

WHEREAS, the City of Greensboro has followed a Request for Proposal (RFP) cycle since 1983 to obtain independent audits of the City's financial statements, awarding 3-year contracts that also contain an option for additional one-year extensions;

WHEREAS, the last audit contract was awarded in 2015, to RSM US LLP (McGladrey) who subsequently withdrew in February 2017 due to staffing constraints;

WHEREAS, in March 2017, the City distributed an RFP for audit services;

WHEREAS, the City advertised the bid opportunity on the City's electronic procurement portal and also directly contacted fifteen (15) North Carolina auditing firms and of those firms, five (5) submitted proposals;

WHEREAS, of three (3) well-qualified finalists, Cherry Bekaert LLP was selected for contract award recommendation based on the firm's extensive governmental resources and qualified staffing available to support the City of Greensboro's audit, among other things;

WHEREAS, Cherry Bekaert LLP's proposed FY 2017 fee of \$72,500 is one of the lowest audit fees noted among the ten largest NC cities and counties, where audit fees ranged between \$71,000 and \$174,000 per unit in 2017;

WHEREAS firm qualifications and fees, among other audit-related matters were discussed at the April 11, 2017 Audit Committee meeting, whereupon the Committee voted to recommend Council approval of the professional services agreement with Cherry Bekaert LLP in the amount of \$222,000 for FY 2017 – FY 2019 for independent audit services, with two possible annual extensions, and a one-time pension census testing procedure required by the Office of the State Auditor in the amount of \$5,000 in FY 2017;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GREENSBORO:

That the professional services agreement between the City of Greensboro and Cherry Bekaert in the amount of \$72,500 for FY 2017, \$74,000 for FY 2018 and \$75,500 for FY 2019 for a total contract award of \$222,000 and for a one-time pension census testing procedure in the amount of \$5,000 for FY 2017 is hereby authorized and the Mayor, City Manager, Finance Director and City Clerk are

hereby authorized to execute on behalf of the City of Greensboro a proper contract to carry the proposal into effect.