



MEETING OF MARCH 7, 2023

TO: Mayor Jordan and City Council
THRU: Paul Becker, Chief Financial Officer
FROM: Kristin Cavette, Acct Mgr- Payroll and Pension
DATE:
SUBJECT: **FORVIS, LLP Contract**

RECOMMENDATION:

Approval of the first year of a five year contract with FORVIS, LLP for annual audit services for the City's 2023 Financial Audit.

BACKGROUND:

The City is required by Arkansas statutes to have an annual financial audit by either Legislative Audit or a Certified Public Accounting firm licensed in Arkansas. Because of the requirements of the City's bond indentures, the City has utilized the services of a private CPA firm to perform these mandated financial audits.

FORVIS, LLP was selected by the City, following the applicable rules and regulations concerning the procurement of auditing services in RFP 22-09, for a five-year contact beginning with the 2023 audit. Under the contract, FORVIS will provide an annual audit of the City's financial statements and a review of the City's internal control system as required by state law. In addition, FORVIS will issue a report on compliance for the City's major federal awards programs and on internal controls over compliance as required by the Uniform Guidance. The Uniform Guidance program is the primary mechanism used by federal agencies to ensure accountability for federal awards to non-federal entities.

Finally, FORVIS will also provide technical assistance to the City in producing the Annual Comprehensive Financial Report (ACFR). The ACFR includes the City's financial statements as well as statistical information.

DISCUSSION:

Staff is recommending approval of the contract with FORVIS, LLP for the first year of auditing services for the 2023 annual audit. The first year of the contract with FORVIS has maximum fees of \$131,093. The audit firm selection had not been completed prior to the 2023 budget process.

BUDGET/STAFF IMPACT:

The cost of the 2023 audit is \$131,093. The audit has been budgeted in the various funds of the City for the 2023 budget.

ATTACHMENTS: Staff Review Form for Audit Services - 1.13.23, City of Fayetteville Contract 12.31.2022 updated

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