

City Council Memorandum

City of Arts & Innovation

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: OCTOBER 20, 2015
FROM: CITY MANAGERS OFFICE WARDS: ALL
SUBJECT: INTERNAL AUDIT REPORT ~ PROCUREMENT OF OUTSIDE LEGAL SERVICES
ISSUE:

The issue for City Council is to receive the attached internal audit report regarding Citywide Procurement of Outside Legal Services & Legal Counsel.

RECOMMENDATION:

That the City Council receive this report.

COMMITTEE RECOMMENDATION:

On June 3, 2015 the Governmental Affairs Committee, with Chair Melendrez and Vice Chair Gardner present, unanimously received the report regarding Citywide procurement of outside legal services and forwarded the audit report to the City Council for discussion and appropriate action.

BACKGROUND:

At the request of the Governmental Affairs Committee, Internal Audit staff conducted a review of outside legal services procured by the various City departments over the past five fiscal years. The objective of the audit was to provide a comprehensive report of legal services expenditures, as well as to ensure departments are adhering to City procurement policies and procedures. The review was completed and a final report was presented to the Governmental Affairs Committee on June 3, 2015.

The report includes recommendations for the City Attorney's Office (CAO), as well as recommendations to improve internal controls Citywide through enforcement of procurement policies and monitoring of contracts/agreements.


On June 16, 2015, the City Council approved a new policy for the retention of outside legal services and directed the City Attorney to return to the Governmental Affairs Committee in six months to review the policy implementation. On August 11, 2015, the City Council included an audit of outside legal expenses/authorization in the scope of work for the outside auditors as part of the Financial and Performance Audits of the Finance Department to be conducted in the spring of 2016.

FISCAL IMPACT:

There is no fiscal impact associated with this report.

Prepared by: Cheryl Johannes, Internal Audit Manager
Approved by: Deanna Lorson, Assistant City Manager
Approved as to form: Gary G. Geuss, City Attorney

Concurs with:



ANDY MELENDREZ, Chair
Governmental Affairs Committee

Attachment: Procurement of Outside Legal Services & Legal Counsel