



City of League City, TX

300 West Walker
League City TX 77573

Text File

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Agenda Date: 5/27/2025

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Status: Consent Agenda

In Control: City Manager

File Type: Agenda Item

Agenda Number: 6A.

Title

Consider and take action on a resolution authorizing a professional services agreement with Audit & Compliance Services, LLC (ACS) for internal audit services to conduct a procurement card audit in an amount not to exceed \$35,000 (City Auditor and City Manager)

..Background:

Approval of this resolution will authorize a professional services agreement with Audit Compliance Services, LLC (ACS) for internal audit services to conduct a procurement card audit in an amount not to exceed \$35,000.

In response to a Council directive, professional services were solicited to conduct a procurement card audit for the city. Professional services proposals to perform the procurement card audit were solicited and received from four (4) firms. One proposal was disqualified for lack of expertise and experience performing relevant services for governmental entities, leaving three (3) remaining proposals from qualified firms for consideration.

The proposals were evaluated by the City Auditor based on the following criteria:

- Relevant experience
- Qualifications of staff
- Methodology
- Completeness of submittals
- Communication

Pricing was also a criterion but given a lower weight in the decision. The estimated fee quotes of \$28,000, \$28,000- \$30,000, and \$25,000 - \$30,000 were comparable.

Based on this evaluation, ACS was determined to be the most qualified firm to provide internal audit services to the city. Familiarity with the skill set and past work of principal staff and confidence in their ability to deliver high-quality work also informed this decision. The estimated fee for this firm is \$28,000 to \$30,000. The funding request of \$35,000 is to ensure budget is available if the scope or procedures necessary to properly conduct the audit are expanded. To be eligible for payment above the proposed fee of \$30,000, changes to the agreed upon procedures or scope of work would require City Auditor authorization before commencing additional work.

The Scope of Services includes the following:

- Detection and prevention of fraud or misuse of city funds.
- Compliance with city policies and relevant regulations.
- Adequacy of internal controls
- Policies and procedures are effective, in writing, and operating as intended.
- A formal written report upon completion of the audit reflecting the results of all agreed upon procedures.

CONTRACT ORIGINATION: Agreement has been reviewed by the City Attorney's Office.

Attachments:

1. Proposed Resolution
2. Exhibit A - Agreement with Audit & Compliance Services, LLC
3. Pricing Tabulation Summary

FUNDING

{X} Requires Budget Amendment to transfer \$35,000 from General Fund Non-Departmental Account #1650000-53050 to City Auditor Contractual Services Account #1250000-53490. The funds are from the \$125,000 budgeted for strategic planning and other related city projects.

STRATEGIC PLANNING

{X} NOT APPLICABLE

APPROVED
MAY 27 2025
CITY COUNCIL

RESOLUTION NO. 2025-101