



## AGENDA MEMORANDUM

Future item for the City Council Meeting of October 27, 2015  
Action item for the City Council Meeting of November 10, 2015

**DATE:** October 14, 2015

**TO:** Ronald L. Olson, City Manager

**FROM:** Maria Pedraza, Procurement Manager, Financial Services Department  
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Sandra Thaxton, Assistant Director of Strategic Management  
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### Assessment of the Efficiency and Effectiveness of the City of Corpus Christi's Financial Services Department

#### **CAPTION:**

Motion authorizing the City Manager or designee to execute a consultant agreement with Weaver and Tidwell, L.L.P to assess the efficiency and effectiveness of the Financial Services Department for an amount not to exceed \$228,500. Funding is available in the Financial Services Department Budget for fiscal year 2015/2016.

#### **PURPOSE:**

The overall objective of the study is to assess how well the Financial Services Department is performing core services and identify ways to improve efficiency and effectiveness. The study will include all operational areas of the Financial Services Department: Utility Billing Office, Purchasing, Warehouse, Accounts Payable, Accounts Receivable/Collections, Accounting, Payroll, Grants, Cash Management and Central Cashiering. This study is a component of the City's overall continuous improvement program designed to periodically review and improve City operations; it will result in a specific action plan to improve the Financial Services Department.

#### **BACKGROUND AND FINDINGS:**

Six consulting firms responded to the City's request for proposal issued on July 18, 2015. Three firms were short-listed for presentations to the City. After all considerations, the selection team deems Weaver and Tidwell, L.L.P as the most responsive and most qualified. They are the largest Texas CPA firm, nationally ranked #49 in CPA firm revenues, and are well established in Texas with full service offices in Houston, San Antonio, Austin, Dallas, Fort Worth, Midland and Odessa. We initially recommended a different firm for this work, but upon learning additional information, we withdrew our recommendation.

The work is being led by Weaver and Tidwell's Advisory Services Group which has performed work of a comparable nature for the cities of Houston, Georgetown, Denton, McKinney and Dallas. This is not a traditional financial or compliance review nor is it limited to existing policies, procedures or internal controls. The consultant is required to answer specific questions (see attachment for specific questions) built around the following focus areas: organization and

support of the Financial Services Department; staffing levels, policies/procedures/process flowcharting; financial performance reporting; and CAFR preparation. Questions include targeted areas of specific concern for each functional area.

**ALTERNATIVES:**

N/A

**OTHER CONSIDERATIONS:**

N/A

**CONFORMITY TO CITY POLICY:**

This purchase conforms to all City policies and procedures and State statutes regulating procurement.

**EMERGENCY / NON-EMERGENCY:**

N/A

**DEPARTMENTAL CLEARANCES:**

Management & Budget

**FINANCIAL IMPACT:**

X Operating       Revenue       Capital       Not applicable

<b>Fiscal Year: 2015-2016</b>	<b>Project to Date Expenditures (CIP only)</b>	<b>Current Year</b>	<b>Future Years</b>	<b>TOTALS</b>
Line Item Budget		\$228,500		\$228,500
Encumbered / Expended Amount				
This item		\$228,500		\$228,500
BALANCE		0		0

Fund(s):

**Comments:**

**RECOMMENDATION:**

Staff recommends approval.

**LIST OF SUPPORTING DOCUMENTS:**

- Service Agreement
- Presentation
- Scope of Work
- Scope Questions
- Modified Scope