

City of Las Vegas

Agenda Item #



AGENDA SUMMARY PAGE

AUDIT OVERSIGHT COMMITTEE MEETING OF: JULY 16, 2009

DEPARTMENT: CITY AUDITOR'S OFFICE

DIRECTOR: RADFORD STEPHEN

☐ Consent ☒ Discussion

SUBJECT:

Discussion and possible action on the Audit of Professional Services Contract #060266 Ostrovsky and Associates (3100-0809-08)

Fiscal Impact

☐

No Impact

☐ Augmentation Required

☐

Budget Funds Available

Amount:

Funding Source:

Dept./Division:

PURPOSE/BACKGROUND:

To review the audit report Audit of Professional Services Contract #060266 – Ostrovsky and Associates (3100-0809-08)

The City Auditor's Office has been randomly auditing professional services contracts approved on the City Councils Consent Agenda. This contract was originally an 18 month firm-fixed price contract, extended by 24 months through Modification 1, for a total of 42 months. Ostrovsky & Associates provides the City of Las Vegas with technical assistance and legislative advocacy for State legislative matters. The total cost of the contract, including the two Modifications, is \$469,500 for service from July 1, 2006 to December 31, 2009. This contract is administered by the Director of Administrative Services.

RECOMMENDATION:

Approval

BACKUP DOCUMENTATION:

1. Audit of Professional Services Contract #060266 Ostrovsky and Associates (3100-0809-08)
2. Submitted after Meeting PowerPoint Slides 13-20 by City Auditor

Motion made by PAUL WORKMAN to Accept the report

Passed For: 3; Against: 0; Abstain: 0; Did Not Vote: 0; Excused: 2

STEVE WOLFSON, PAUL WORKMAN, MICHAEL W. KERN; (Against-None); (Abstain-None); (Did Not Vote-None); (Excused-JOSE TRONCOSO, LOIS TARKANIAN)

Minutes:

AUDIT OVERSIGHT COMMITTEE MEETING OF: JULY 16, 2009

City Auditor Radford Snelding reported that an audit of the Professional Services Contract with Ostrovsky & Associates has been completed. Under the administration of the Director of Administrative Services, this contract provided technical assistance and legislative advocacy for State legislative matters. Mr. Snelding listed the objectives of the review, then identified and reviewed each of the discrepancies.

Similar to the previous Item No. 8, Mr. Snelding revealed that the recommendation included the creation of policy and procedure measures to ensure contract compliance. Mr. Snelding also noted control exceptions which could possibly impact management's ability to administer this contract. In conclusion, the project manager has remedied the findings and exceptions as documented in their responses and is in the process of creating their Comprehensive Policy and Procedures, which is to be completed by December 31, 2009.

Director of Administrative Services Ted Olivas, who is the Project Manager for this contract, explained to the Members that the contract is based on a fixed monthly fee, not hourly. There are certain expenses beyond the contractual amount, such as potential travel and meetings with legislators, that are accounted for as well, and receipts are included within the documentation submitted. Member Wolfson believed there was room for improvement relative to checks and balances.

Assistant City Attorney Bryan Scott commented that it was a good idea to receive verbal reports as well, especially for the public when requests or research arise. Mr. Olivas emphasized his concurrence, as staff wants to ensure what is being defined is appropriate. Mr. Snelding applauded two part-time employees who did most of the field work and have done a great job. Chairman Kern was happy that Bruce R. Wagner was a part of their team.

