



**ADMINISTRATIVE SERVICES DEPARTMENT**

CITY HALL

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**CITY COUNCIL STAFF REPORT**

Meeting: September 5, 2017

Subject

City's Agreed Upon Procedures with Outside Auditors for Gann Limit and Investments

Recommended Action

Authorize City Manager to sign on behalf of the City Council the Agreed Upon Procedures with Outside Auditors for Gann Limit and Investments

Discussion

The City of Cupertino conducted a request for proposal (RFP) in Fiscal Year 2016-17 for financial auditing services. In April 2017 the City contracted with Crowe Horwath to complete the City's financial audit, in addition to Agreed Upon procedures (AUP) for the Gann Limit and the City's investments.

In August 2017 Crowe Horwath presented the City with AUP's for Gann and Investments. These AUP's were reviewed by City staff and were presented to the City's Audit Committee for review and comment at a special Audit Committee meeting held on August 26, 2017. The attached AUP's incorporates the Committee's recommended changes for the Investment AUP as follows:

We will re-compute or obtain third-party corroborating evidence of the correct listing of Average Yield, Average length to Maturity (in years) and Duration on the March 2017 Treasurer's Investment Report. The committee recommended no changes in the Gann AUP.

Sustainability Impact

There is no sustainability impact associated with this item

Fiscal Impact

There is no fiscal impact associated with this items. Costs associated with conducting these agreed upon procedures are included in the current contract costs.

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Prepared by: Kristina Alfaro, Director of Administrative Services

Approved by: David Brandt, City Manager

Attachments:    A – Gann AUP  
                          B – Investment AUP