



# City of CHARLOTTE

## MEMORANDUM

TO: Mayor Lewis and City Council Members

FROM: Gregg Guetschow, City Manager

SUBJECT: Accounting Services Proposal

DATE: July 6, 2018

As Council is aware, we have been contracting since the end of March with the accounting firm Rehmann Robson on a month-to-month basis for various services. When we first began this relationship, it was for the purpose of meeting ongoing needs while we evaluated our longer term options. We have since reached the conclusion that it makes sense to continue the current contractual relationship over a longer period of time while we upgrade accounting software and evaluate the most efficient way to manage accounting functions.

A copy of a proposal from Rehmann Robson will be found elsewhere in the agenda packet. It was my original plan to solicit a competing proposal from another firm. I have not done so. What we have discovered over the last several months is that the learning curve for our current software is a steep one. I do not believe it would be a good use of staff and financial resources to educate another firm on how this software functions when we intend to abandon it entirely over the course of the next year.

The proposal provides two options as far as the duration of the contract. I am recommending that we contract for services for a three year period. As I have previously stated, I expect the work to change accounting software and streamline internal processes will take two years. We would still have another year remaining on the Rehmann Robson contract should we choose to transition back to a fully-staffed Finance Department.

You will note that the amount of the contract is slightly more than \$200,000 per year. This amount represents a small savings when compared to the costs of the two full-time staff positions that have been left vacant in the Finance Department.