



## Legislation Details (With Text)

**File #:** RES-07:2377 **Version:** 1 **Name:** Outside audit concerning legalities of certain city expenditures  
**Type:** Resolution **Status:** Passed  
**File created:** 8/7/2007 **In control:** Finance & Administration Council Committee  
**On agenda:** **Final action:** 9/4/2007  
**Title:** RESOLUTION TO ENLIST THE SERVICES FROM AN OUTSIDE INDEPENDENT AUDITING FIRM TO DETERMINE WHETHER CERTAIN CITY EXPENDITURES OR SERVICES OCCURRED WITHIN THE REQUIREMENTS OF STATE AND LOCAL LAWS IN EFFECT AT THE TIME OF THE EXPENDITURES  
**Sponsors:** City Council  
**Indexes:** Audit, Contract

**Code sections:**

**Attachments:**

Date	Ver.	Action By	Action	Result
9/4/2007	1	City Council	Passed	Pass
8/23/2007	1	Finance & Administration Council Committee	Recommended to Council	Pass
8/7/2007	1	City Council	Referred	Pass

RESOLUTION TO ENLIST THE SERVICES FROM AN OUTSIDE INDEPENDENT AUDITING FIRM TO DETERMINE WHETHER CERTAIN CITY EXPENDITURES OR SERVICES OCCURRED WITHIN THE REQUIREMENTS OF STATE AND LOCAL LAWS IN EFFECT AT THE TIME OF THE EXPENDITURES WHEREAS, Arkansas state law states that a city council has the management and control of the city finances and all real and personal property belonging to the city and approves or disproves an annual operating budget each year,

WHEREAS, Arkansas state law states that a mayor determines the day-to-day activities of the city staff and supervises the city department heads and officers, including the Finance Director and the Finance Department staff,

WHEREAS, a financial report which ended June 30, 2007, prepared by the Finance Department, is the first verifiable financial report subject to audit provided to the city council in approximately 18 months,

WHEREAS, this financial report states on Page 1 that a) the financial statements referred to above do not disclose all required information which should be included in order to conform to the regulatory basis of accounting as described in Note 1 of the report; b) except for the effects on the financial statements of the omissions described in the preceding paragraph, the financial statements referred to above present fairly, in all material respects, the financial activity; and c) management has elected to omit substantially all disclosures ordinarily included in financial statements prepared on a regulatory basis,

WHEREAS, the Arkansas Legislative Audit's report of city finances has not been submitted by the Mayor to the City Council for approval, as required by state law, in over two years,

WHEREAS, the state mandated responsibilities of the City Council as to the city finances regarding various city expenditures can only be verified by an outside, independent audit.

NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF JONESBORO, ARKANSAS, THAT:

Section 1. It is in the best interest of the City of Jonesboro for the City Council to enlist the services of an outside, independent auditing firm to determine if certain city expenditures or services occurred within the requirements of state and local laws in effect at the time of the expenditures. The expenditures include:

- a) all expenditures from the capital improvements fund since October 1, 2000,
- b) all fees owed by the city to the Craighead County Jail.
- c) list of job locations and dollar amounts regarding the number of man hours and number of equipment hours of street department since January 1, 2007.
- d) list of all advertising expenditures under Jonesboro Economic Transportation System since January 1, 2005.
- f) list and amounts for all furniture and accessories purchased by city since January 1, 2005.
- g) all city funds used to promote convention center proposal since January 1, 2006.

Section 2. The City Council wishes to complete said audit prior to November 15, 2007, to enable the members of the City Council to fulfill its legal responsibility during the budget process as prescribed by state law.

PASSED AND APPROVED this 4<sup>th</sup> day of September, 2007.