



# Huntsville, Alabama

305 Fountain Circle  
Huntsville, AL 35801

## Cover Memo

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**Meeting Type:** City Council Regular Meeting **Meeting Date:** 4/10/2025

**File ID:** TMP-5409

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**Department:** Finance

**Subject:**

**Type of Action:** Approval/Action

Resolution authorizing the Mayor to execute modification No. 1 to the agreement between the City of Huntsville and Mauldin & Jenkins CPAs & Advisors, for the Independent Audit Agreement.

Resolution No.

**Finance Information:**

**Account Number:** 1000-13-13100-515370-00000000-

**City Cost Amount:** \$ 18,500.00

**Total Cost:** \$ 18,500.00

**Special Circumstances:**

**Grant Funded:** \$ N/A

**Grant Title - CFDA or granting Agency:** N/A

**Resolution #:** N/A

**Location: (list below)**

**Address:** N/A

**District:** District 1 ☐ District 2 ☐ District 3 ☐ District 4 ☐ District 5 ☐

**Additional Comments:**

**RESOLUTION NO. 25-\_\_\_\_\_**

**WHEREAS**, on September 26, 2024, pursuant to Resolution No. 24-716 the City of Huntsville, Alabama entered into an Independent Audit Agreement with Mauldin & Jenkins CPAs and Advisors for auditing services for the fiscal year ended September 30, 2024; and

**WHEREAS**, the agreement included provisions for testing of two programs qualified as major under the Uniform Guidance requirements; and

**WHEREAS**, upon review of financial data, it was noted that the City had four programs which qualified as major under the Uniform Guidance requirements; and

**WHEREAS**, the discovery of the two additional major programs expanded the scope of work authorized under the original Agreement and increased the fee by \$9,250, per program, for a total increase of \$18,500, bringing the total fee for the auditing services to \$131,500.

**NOW, THEREFORE, BE IT RESOLVED**, the by City Council of the City of Huntsville, Alabama that the Mayor be and is hereby authorized to amend the scope of work and increase the Independent Audit Agreement fee as outlined in the April 3, 2025, engagement letter provided by Mauldin & Jenkins CPAs and Advisors, as attached hereto.

**ADOPTED** this the 10<sup>th</sup> day of April, 2025.

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President of the City Council of the  
City of Huntsville, Alabama

**APPROVED** this the 10<sup>th</sup> day of April, 2025.

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Mayor of the City of Huntsville, Alabama



April 3, 2025

Honorable Mayor and Members of the  
City Council  
City of Huntsville, Alabama  
308 Fountain Circle  
Huntsville, AL 35801

Attn: Penny Smith, Director of Finance and Rachel Biggs, Deputy Finance Director

Following our review the Schedule of Expenditures of Federal Awards for the City of Huntsville's September 30, 2024 audit and in accordance with the Single Audit Act Amendments of 1996 and Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) major program determination it was determine that the following programs qualify as major programs for the fiscal year ended September 30, 2024:

- Federal Transit Cluster (#20.507)
- Emergency Rental Assistance (#21.023)
- Coronavirus State and Local Fiscal Recovery Funds (#21.027)
- Home Investment Partnership Program (#14.239)

Our existing engagement letter and Purchase Order 20251410 were based on the testing and reporting of two (2) major programs. However, the revised major program determination under the Uniform Guidance necessitates an expansion of the audit scope. Specifically, the required additional testing and reporting of these newly identified major programs will result in an increased workload. We have calculated the additional cost to be \$9,250 per program. With two (2) additional programs identified, the total price adjustment is \$18,500.

We understand that changes in scope can impact budgeting, and we are committed to providing a transparent and detailed explanation. We are available to discuss this matter further at your convenience. Sincerely,

MAULDIN & JENKINS, LLC

James Bence