



Huntsville, Alabama

305 Fountain Circle
Huntsville, AL 35801

Cover Memo

Meeting Type: City Council Regular Meeting **Meeting Date:** 5/28/2026

File ID: TMP-6977

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: \$ 9,750.00

Total Cost: \$ 9,750.00

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. 26-_____

WHEREAS, on September 25, 2025, pursuant to Resolution No. 25-766, 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, 2025; and

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

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

WHEREAS, the discovery of the additional major program expanded the scope of work authorized under the original Agreement and increased the fee by \$9,250, bringing the total fee for the auditing services to \$126,250.

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 April 17, 2026, engagement letter provided by Mauldin & Jenkins CPAs and Advisors, as attached hereto.

ADOPTED this the 28th day of May, 2026.

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

APPROVED this the 28th day of May, 2026.

Mayor of the City of Huntsville, Alabama



April 17, 2026

Honorable Mayor and Members of the
City Council
City of Huntsville, Alabama
305 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, 2025 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, 2025:

- Community Development Block Grant (#14.218)
- Emergency Rental Assistance (#21.023)
- Choice Neighborhoods Implementation Grant (#14.889)

Our existing engagement letter and Purchase Order 20260304 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 \$9,750 per program. With one (1) additional program identified, the total price adjustment is \$9,750.

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