



Inter-Departmental Communication

Office of the City Auditor

Date: March 23, 2009

To: Councilwoman Jan Marcason
Councilwoman Melba Curls

From: Gary L. White, City Auditor

Subject: Interim Report - City Consultant Services Expenditures May 1, 2008 to March 12, 2009

You asked for information about the city's consultant expenditures, including legal services, in fiscal year 2009.

Summary

From May 1, 2008 through March 12, 2009, 16 departments expensed about \$4.7 million to the consultant services account. Approximately \$2.6 million in various court and legal service costs were expensed to the legal services accounts. Additional audit work would be required to confirm all these expenditures represent fees for consultant services and outside legal counsel and identify the nature of the services these firms provided to the city. In addition, there could be consulting or legal costs that were charged to other accounts and those costs would not be included in our figures.

Work Performed

We obtained and reviewed data for expenditures charged to consultant and legal services accounts from the city's financial management system. The expenditure data we reviewed covered May 1, 2008 to March 12, 2009, and was coded to three accounts in the financial management system: consultant services, court costs and legal services, and legal services. If consultant or legal services costs were not coded to these accounts, they were not captured by our system queries. In addition, there could be costs charged to these accounts that may not be for consulting or legal services

Results

Almost \$4.7 Million Charged to Consultant Services Expenditures During Fiscal Year 2009

During the current fiscal year, 16 departments recorded expenditures to the consultant services account. Total departmental expenditures range from about \$3,000 to \$1.1 million. (See Exhibit 1.)

Exhibit 1. Consultant Services Expenditures by Department – May 1, 2008 to March 12, 2009

| Department | Amount Paid |
|--|--------------------|
| City Manager's Office | \$1,125,155 |
| Capital Improvements Management Office | 1,092,042 |
| Health | 778,228 |
| Information Technology | 633,726 |
| Water Services | 345,871 |
| Aviation | 236,513 |
| Mayor and City Council | 150,450 |
| General Services | 104,143 |
| City Development | 98,374 |
| City Auditor | 56,532 |
| Finance | 41,005 |
| Parks and Recreation | 14,980 |
| Human Resources | 7,642 |
| Convention and Entertainment | 5,276 |
| Neighborhood and Community Services | 3,913 |
| Fire | 2,901 |
| Total | \$4,696,751 |

Source: PeopleSoft Financial Management System.

Consultant services payments were made to 102 different vendors; 43 vendors received \$20,000 or more. (See Attachment 1.)

While about \$4.7 million was expensed to the consultant services account, we cannot confirm that all these costs represent payments for consultants without additional audit work, including reviewing contractor payment documents associated with these expenditures. Identifying what the city expected to receive and confirm it was delivered would also require additional audit work.

Legal Expenses Total Almost \$2.6 Million

Legal expenses in the current fiscal year include miscellaneous court fees and legal costs in addition to fees for outside legal counsel. Departmental expenditures for legal services range from \$200 to \$1.7 million. (See Exhibit 2.)

Exhibit 2. Legal Services Expenditures by Department – May 1, 2008 to March 12, 2009

| Department | Amount Paid |
|--|-------------|
| Law | \$1,716,753 |
| Water Services | 540,733 |
| Aviation | 127,354 |
| City Manager's Office | 72,115 |
| Mayor and City Council | 50,884 |
| Municipal Court | 32,437 |
| Capital Improvements Management Office | 14,368 |
| Finance | 4,625 |
| Public Works | 2,073 |
| City Clerk | 1,436 |
| Parks and Recreation | 290 |
| Neighborhood and Community Services | 289 |
| General Services | 200 |
| Totals | \$2,563,557 |

Source: PeopleSoft Financial Management System.

Legal services payments were made to 83 different vendors; 14 received \$20,000 or more during fiscal year 2009. (See Attachment 2.)

Determining which expenditures represent fees for outside legal counsel would also require additional audit work.

If you have any questions, please contact me at 513-3320.

cc: Mayor Mark Funkhouser
Members of the City Council
Wayne Cauthen, City Manager
Troy Schulte, Budget Officer

Attachment 1**Vendors Receiving Consultant Services Payments – May 1, 2008 to March 12, 2009**

| Vendor Name | Amount Paid |
|---|-------------|
| Communications Associates | \$573,087 |
| Cedar Crestone Inc | \$567,531 |
| Diggs Construction Co Inc | \$392,568 |
| Mid-America Regional Council | \$383,566 |
| Save Inc | \$200,599 |
| Public Financial Mgmt Inc | \$162,770 |
| Olsson Associates | \$134,569 |
| Tshibanda & Associates LLC | \$110,238 |
| Hoffman Cortes Contract | \$100,897 |
| Garry & Associates Insurance Agency Inc | \$91,667 |
| Pinnacleone Inc | \$84,694 |
| Johnson Controls Inc | \$84,316 |
| Black Archives Of Mid-America Inc | \$78,259 |
| The Konrath Group | \$77,907 |
| Price Howlett Inc | \$75,496 |
| B N I M Architects Inc | \$74,900 |
| CBIZ Benefits & Insurance | \$72,183 |
| Gordon Huether & Partners Inc | \$70,000 |
| James Duncan And Associates Inc | \$67,168 |
| Pelofsky & Associates Inc | \$66,038 |
| Parris Communications Inc | \$65,019 |
| Flax Business Systems Inc | \$61,200 |
| ETC Institute | \$56,532 |
| HNTB Architecture Inc | \$55,385 |
| Unison-Maximus Inc | \$54,935 |
| Khafra Engineering Consultants Inc | \$50,130 |
| Kansas City University Of Medicine | \$41,250 |
| Twin Peaks Field Services Inc | \$38,675 |
| Metro Productions Inc | \$37,500 |
| Maternal & Child Health | \$36,470 |
| University Physician Associate | \$35,411 |
| Joyce Morrison DBA | \$35,000 |
| Economic Development Corp | \$34,989 |
| Lackland Acquisition II LLC | \$33,341 |
| Farm Management Associates Inc | \$31,999 |
| Diocese of Kansas City - St Joseph DBA | \$31,989 |
| Transystems Corporation | \$31,204 |
| Usda-Aphis-Wildlife Services | \$25,156 |
| Truman Medical Center Incorporated | \$23,204 |
| Megadata Corporation | \$21,960 |
| Limno-Tech Inc | \$20,508 |
| Greater KC Community Foundation | \$20,000 |
| Stuart Keeler | \$20,000 |
| The Family Conservancy Inc | \$19,793 |
| Robert E Slavin Inc | \$19,470 |

| Vendor Name | Amount Paid |
|---|-------------|
| Gregory C Rigamer & Associates Inc | \$18,000 |
| Gilmore & Bell | \$15,313 |
| Gabriel Roeder Smith And Company | \$14,396 |
| The Forrester Group | \$13,846 |
| Par Group | \$13,155 |
| VML Inc | \$12,945 |
| Good Samaritan Project Inc | \$12,349 |
| University Of Kansas Medical | \$11,940 |
| Restart Inc | \$10,554 |
| Astra Communications Inc | \$10,458 |
| Management Synergistics Inc | \$10,000 |
| Dana K Apple | \$9,980 |
| Libretto Communications Inc | \$9,700 |
| Firstwatch | \$9,581 |
| P-Strada LLC | \$9,226 |
| Economics Center For Education | \$8,939 |
| Columbia Capital Management LLC | \$8,019 |
| Moody's Investors Service | \$8,000 |
| Trekk Design Group | \$7,345 |
| Beverly Francene Tremain | \$7,250 |
| Millennium Graphics Inc | \$7,223 |
| Lecture Management Inc | \$7,000 |
| SCS Engineers | \$6,717 |
| New Beginnings Medical Surveillance | \$6,300 |
| Roundtown Media LLC | \$5,450 |
| Leroy Amory | \$5,085 |
| Baker Environmental Consulting | \$5,000 |
| LWJ Construction Material | \$5,000 |
| Nicolas Medrano | \$4,522 |
| Missouri Institute For Community Health | \$4,295 |
| George A Harris PhD | \$4,215 |
| Barnett Associates Inc | \$4,000 |
| Davidson & Associates Inc | \$3,731 |
| Myron Frye | \$3,563 |
| Kelly & Weaver PC | \$3,101 |
| Kumar Consulting PA | \$3,000 |
| Revenue Assurance Professional | \$2,901 |
| International Business Machines Corp | \$2,520 |
| Raftelis Financial Consultants Inc | \$2,481 |
| Huber & Associates Inc | \$2,475 |
| Ramsey & Associates Design | \$2,475 |
| The Waters Consulting Group Inc | \$2,037 |
| Patricia Flack DBA | \$2,000 |
| Kansas City Free Health Clinic | \$1,939 |
| Derek Porter Studio | \$1,545 |
| CBS Outdoor Inc | \$1,470 |
| Jewish Vocational Service | \$1,313 |
| Media Library Inc | \$900 |

| Vendor Name | Amount Paid |
|---------------------------------------|--------------------|
| Lee Hecht Harrison LLC | \$795 |
| Wheeler Audio Inc Of Missouri | \$710 |
| John Rogers Cashill | \$700 |
| Michelle T Johnson | \$648 |
| United States Treasury | \$501 |
| Norton & Schmidt Consulting Engineers | \$350 |
| Melissa Data Corp | \$208 |
| Director Of Revenue | \$15 |
| Duncan Associates | \$2 |
| Total | \$4,696,751 |

Source: PeopleSoft Financial Management System.

Attachment 2**Vendors Receiving Legal Services Payments – May 1, 2008 to March 12, 2009**

| Vendor Name | Amount Paid |
|--------------------------------------|-------------|
| John F Mulligan Jr | \$1,128,041 |
| Session Law Firm | \$434,976 |
| Missouri Municipal League | \$250,000 |
| Kamlet Shepherd & Reichert LLP | \$180,374 |
| Shughart Thomson & Kilroy PC | \$90,000 |
| The Wirken Law Group PC | \$75,883 |
| Tusa Consulting Services | \$68,390 |
| Kutak Rock LLP | \$50,128 |
| Aqualaw PLC | \$46,622 |
| John R Harrison | \$44,474 |
| Hogan & Hartson LLP | \$37,112 |
| Greyhawk North America LLC | \$35,164 |
| Newman Comley & Ruth PC | \$28,108 |
| Interpreters Inc | \$23,259 |
| Department Of Civil Records | \$12,407 |
| Bryan Cave LLP | \$7,754 |
| Doris Ganser | \$7,073 |
| Platte County Circuit Court | \$6,933 |
| Clay County Circuit Court | \$5,770 |
| Roger K McCrummen | \$5,320 |
| The Mdivani Law Firm LLC | \$4,625 |
| A To Z Legal Services Inc | \$3,690 |
| Duncan Associates | \$3,452 |
| Deaf Expression Inc | \$2,105 |
| Colette Holt | \$2,100 |
| McCrummen Immigration Law Group LLC | \$1,245 |
| Fishaw LLC | \$1,200 |
| Kansas City Metropolitan Arbitration | \$938 |
| Spradley & Riesmeyer PC | \$775 |
| Veritext Acquisition DBA National | \$768 |
| Felicito C Bagunu | \$300 |
| William J Murillo | \$300 |
| Board Of Police Commissioners | \$277 |
| St Anthony Parish | \$250 |
| Standard Parking Incorporated | \$250 |
| JMA Court Reporting LLC | \$245 |
| Finis V Childress | \$200 |
| Gilmore & Bell | \$200 |
| Keith Ellis Tribbitt | \$200 |
| Quality Reporting Services Inc | \$181 |
| Joyce R Wallace | \$150 |
| Cass County | \$133 |
| Ray County Sheriff's Dept | \$112 |
| Clay County Sheriff Office | \$110 |
| Johnson County Sheriff's Office | \$108 |

| Vendor Name | Amount Paid |
|--|--------------------|
| St Louis County Sheriff | \$104 |
| Clark County Nevada | \$100 |
| Jackson County Recorder | \$96 |
| Cole County Sheriff's Office | \$90 |
| County Of San Diego Sheriff's Department | \$80 |
| Wyandotte County Sheriff's Office | \$80 |
| Alan M Freedman | \$75 |
| Collin County Sheriff's Office | \$65 |
| Hill County Sheriff's Office | \$65 |
| Cook County Sheriff's Office | \$60 |
| Denton County | \$60 |
| Greene County Sheriff's Department | \$60 |
| Multnomah County Sheriff's Office | \$58 |
| Professional Legal Services | \$57 |
| Clay County Sheriff Dept | \$50 |
| Kay County Sheriff's Department | \$50 |
| Mecklenburg County Sheriff's Office | \$50 |
| Pulaski County Sheriff Department | \$50 |
| Shawnee County Sheriffs Office | \$50 |
| Williamson County | \$50 |
| Douglas County Sheriff's Office | \$45 |
| Wayne County Sheriff's Office | \$44 |
| St Clair Co Sheriff's Dept | \$42 |
| Los Angeles County Sheriff's Department | \$40 |
| Clay County Recorder Of Deeds | \$36 |
| Palm Beach County Sheriff's Office | \$35 |
| Platte County Sheriff | \$30 |
| Siskiyou Co Sheriff's Dept | \$30 |
| Fulton County Sheriff's Office | \$28 |
| Clayton County Sheriff's Office | \$27 |
| Cherokee Sheriffs Office | \$25 |
| Clark County Sheriff | \$25 |
| Geary County Sheriff Department | \$25 |
| Carson City (City of) | \$23 |
| Callaway County Sheriff Dept | \$20 |
| Jackson County Records Dept | \$12 |
| Buchanan County Commissioners Office | \$10 |
| Director Of Revenue/ Credit State | \$10 |
| Totals | \$2,563,557 |

Source: PeopleSoft Financial Management System.