


**CITY OF MIAMI**  
**OFFICE OF THE CITY ATTORNEY**  
**LEGAL OPINION - #08-004**

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**TO:** Victor Igwe, Independent Auditor General  
Auditor General's Office - COM  
**FROM:** Julie O. Bru, City Attorney   
**DATE:** May 23, 2008  
**RE:** Legal Opinion - Audit Advisory Committee's Responsibility Over  
the Component Units Reported on City's Comprehensive Annual  
Financial Report (CAFR)

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You have requested a legal opinion on substantially the following issue:

DOES THE AUDIT ADVISORY COMMITTEE ("COMMITTEE") HAVE ANY RESPONSIBILITY FOR MAINTAINING LIAISON WITH THE EXTERNAL AUDITORS WHO AUDIT THE CITY'S COMPONENT UNITS (WHOSE AUDITED FINANCIAL STATEMENTS ARE DISCRETELY PRESENTED/BLENDED WITH THAT OF THE CITY AND THEN 'ATTESTED TO' AS A WHOLE BY THE CITY'S EXTERNAL AUDITOR THAT WAS SELECTED BY THE COMMITTEE)?

For the reasons set forth below, the answer to your question depends on whether such liaison is necessary to fulfill the Committee's duties under Sections 2-946, and 2-950 of the City of Miami Code (the "Code").


Section 2-946 of the Code provides that "[t]he basic function of the [audit advisory] committee is to assist the mayor, city commission and the city manager in fulfilling their fiduciary responsibilities relating to accounting, auditing and financial reporting." It further requires the Committee, among other things, to "(4) review the city's compliance with the GASB (Government Accounting Standards Board) guidelines and requirement." Additionally, the duties of the Committee, under Code Section 2-950, include, but are not limited to: "(4) [m]aintaining liaison with the *selected independent auditor* including, but not limited to, monitoring of the independent auditor's work progress, and reviewing preliminary and final reports issued by the independent auditor."

Your question is not whether the Committee must maintain liaison with "the selected independent auditor" (which it must under Section 2-950(4)), but with the *external auditors who audit the City's component units*. If the Committee can perform its obligations under the Code without 'maintaining liaison' with the external auditors of the City's components units, then it is not required to maintain liaison with such external auditors. If, on the other hand, the Committee cannot fulfill its obligations without maintaining liaison with the external auditors of the City's

component units, then it must maintain such liaison, not under the express authority of the Code, but because it is a necessary part of its functions.

PREPARED BY:

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