

## **October 29, 2012 - Mayor Glover Responds to Financial Adviser Investigation**

I have completed an initial review of the investigation findings and note that it basically confirms the general findings of the Internal Audit report. That Report indicated administrative challenges brought on by inadequacies within the City's contractual terms and conditions, as well as, historical methods of managing the contract. As a result, questions were raised as to billing and invoicing practices that seem to be further detailed within these Findings.

Since the Internal Audit process, and in accordance with our own review, we have taken the steps recommended therein. The recommendations included within these findings appear to mirror those steps with the addition of a suggestion on the RFP process used to select the Financial Adviser that we will also review.

In terms of the "questionable" billings, we note the Investigator's use of qualified terms such as "may", "may have" or "potentially" properly suggesting that these are not conclusions and further discussion/examination is appropriate. This fits with our efforts to reconcile these type issues as suggested initially within the Internal Audit report. We are continuing those efforts and expect to work with Grigsby, the Internal Auditor and/or Council Committee to address the unresolved issues. I certainly believe the adjustments we are making to our contract (particularly in terms of definitions and scopes of work), as well as, in our administrative procedures (including the designation of a specific project manager) since the initial audit will eliminate most, if not all, of these type issues moving forward.

I believe it's important to note that neither the Internal Audit nor this investigation outlined actions indicative of criminal or unethical behavior in the selection, contracting or management process. Nor has the performance of the firm in helping the City of Shreveport to achieve millions in savings during turbulent financial times and circumstances through swap eliminations and restructuring of debt been deemed unsatisfactory. The issues outlined within these Findings, as with the Internal Audit report, will be addressed as we continue our adjustments to how the City of Shreveport manages Advisers.

We will continue our efforts to reconcile all of the work and billing issues. I look forward to a more thorough review of the findings and further discussion with the Council on moving forward from here.

[www.shreveportla.gov](http://www.shreveportla.gov)

[Twitter.com/MayorGlover](https://twitter.com/MayorGlover)

[Twitter.com/shreveinfo](https://twitter.com/shreveinfo)