



Agenda Submittal

Agenda #: 6 **Status:** Approved
Type: Contract **Department:** Auditor-Controller
File #: 18-222 **Contact:** Phyllis Taynton, 784 6288
Agenda date: 4/3/2018 **Final action:** 4/3/2018
Title: Approve a first contract amendment with Vavrinek, Trine, Day & Co., LLP for \$240,000 to extend the contract through June 30, 2020 for audit services for the fiscal years ending 2018 and 2019 and to amend audit services scope of work to include First 5 Solano; and Authorize the County Administrator to execute the amendment
Governing body: Board of Supervisors
District: All
Attachments: 1. A - Amendment, 2. B - Link to Original Contract, 3. Executed Amendment, 4. Minute Order

Date	Ver.	Action By	Action	Result
4/3/2018	1	Board of Supervisors	Approved	

Published Notice Required? Yes ☐ No ☒
Public Hearing Required? Yes ☐ No ☒

DEPARTMENTAL RECOMMENDATION:

The Auditor-Controller's Office recommends that the Board of Supervisors approve a first contract amendment with Vavrinek, Trine, Day & Co., LLP for \$240,000 to extend the contract through June 30, 2020 to provide audit services for the fiscal years ending 2018 and 2019 and to amend audit services scope of work to include First 5 Solano; and Authorize the County Administrator to execute the amendment.

SUMMARY:

On March 10, 2015 the Board approved the contract with Vavrinek, Trine, Day & Co., LLP for annual audit services for fiscal years ended June 30, 2015, 2016, and 2017 with an option to extend for an additional two years. Under the existing agreement, Vavrinek, Trine, Day & Co., LLP has audited the County's Comprehensive Annual Financial Report (CAFR), Single Audit Report, and Report on Applying Agreed-Upon Procedures, for the fiscal years ended 2015, 2016, and 2017. This first contract amendment will allow for uninterrupted performance of required audit services to the County and add audit services for First 5 Solano.

FINANCIAL IMPACT:

The proposed amendment includes audit services fees totaling \$210,000 for the County and \$30,000 for First 5 Solano for fiscal years ending June 30, 2018 and 2019. The annual cost for the audit services for the County will be included in the Auditor-Controller's budget. First 5 Solano will include the annual cost for audit services in their budget.

DISCUSSION:

The existing contract was recommended and awarded to Vavrinek, Trine, Day & Co., LLP (VTD) on March 10, 2015 after receiving the highest evaluation score from an Evaluation Committee comprised of representatives from the County Administrator, Health and Social Services, and the Workforce Development Board of Solano

County based on VTD's qualifications and experience serving other governments similar in size to Solano County. The required annual audit services are complex in nature and demand the effective application of independent technical expertise to the day-to-day County operations that impact financial records. The scope of audit services include:

- Comprehensive Annual Financial Report (CAFR)
- Management Discussion and Analysis
- Required Supplementary Information
- Combining and individual fund statements and schedules
- Schedule of Expenditures and Federal Awards (Single Audit)
- Agreed-Upon Procedures - Gann Appropriations Limit

With this contract amendment, the County and First 5 Solano will continue to benefit from the qualifications and technical expertise of VTD.

ALTERNATIVES:

The Board may choose not to extend the contract for audit services to Vavrinek, Trine, Day & Co., LLP; however, this is not recommended as the County would lose the benefits of exercising the existing option to extend contract and the County will incur additional time and costs to solicit a different external auditor in the timeframe required to meet deadlines.

OTHER AGENCY INVOLVEMENT:

County Counsel has reviewed the contract amendment to ensure it meets all of the legal and contractual requirements.

VTD has assessed and expanded audit services to include First 5 Solano within the scope of work performed. First 5 Solano has reviewed the amendment and concurs.

CAO RECOMMENDATION:

APPROVE DEPARTMENTAL RECOMMENDATION