



Agenda Submittal

Agenda #: 8 **Status:** Approved
Type: Contract **Department:** Auditor-Controller
File #: 20-322 **Contact:** Phyllis S. Taynton, 784-6288
Agenda date: 4/28/2020 **Final action:** 4/28/2020
Title: Approve a contract with Eide Bailly, LLP for audit services for fiscal years ended June 30, 2020, 2021, and 2022 with an option to extend for an additional 2 years; and Authorize the County Administrator to execute the contract and any subsequent amendments
Governing body: Board of Supervisors
District: All
Attachments: 1. A - Contract, 2. Executed Contract, 3. Minute Order

Date	Ver.	Action By	Action	Result
4/28/2020	1	Board of Supervisors		

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

DEPARTMENTAL RECOMMENDATION:

The Auditor-Controller recommends that the Board of Supervisors approve the contract with Eide Bailly, LLP for audit services for the fiscal years ended June 30, 2020, 2021, and 2022 with an option to extend for an additional 2 years, for a total contract term of no more than 5 years; and authorize the County Administrator to execute the contract and any subsequent amendments.

SUMMARY:

The Auditor-Controller is requesting approval for a new contract with Eide Bailly, LLP to audit the County's Comprehensive Annual Financial Report (CAFR), Single Audit Report, and Report on Applying Agreed-Upon Procedures, for the fiscal years ended June 30, 2020, 2021, and 2022.

The County reserves the right to extend this contract for an additional two years, provided that the County notifies Eide Bailly, LLP in writing of its intention to do so at least ninety (90) days prior to the contract expiration date.

FINANCIAL IMPACT:

The proposed all-inclusive fee for audit services will not exceed \$98,000 for the fiscal year ended June 30, 2020, and each fiscal year thereafter, for a total contract amount of \$294,000 for three years, and a maximum of \$490,000 for a total of five years, if the 2 year extension is optioned. The annual cost for the audit services will be included in the Auditor-Controller's Recommended Budget.

DISCUSSION:

In January 2020, the County completed a 5 year contract with Eide Bailly, LLP (formerly Vavrinek, Trine, Day & Co., LLP), for audit services for the fiscal years ended June 30, 2015 through June 30, 2019.

In March 2020, after the completion of the 5 year contract, the County worked with General Services'

Purchasing Division to issue a Request for Proposal (RFP) for audit services and received proposals from four independent Certified Public Accounting firms. The Auditor-Controller enlisted the services of an Evaluation Committee to review the proposals. The Evaluation Committee, consisting of representatives from the County Administrator, Treasurer-Tax Collector-County Clerk, and Health and Social Services, reviewed each proposal independently and applied the defined technical criteria.

The defined technical criteria included comprehensiveness of the audit plan, experience in auditing similar entities and types of audits performed and qualifications of staff, size and structure of the firm. In addition, General Services' Purchasing Division evaluated the cost proposals of each firm and scored the proposals for both cost and technical criteria to determine the total evaluation score. Eide Bailly, LLP, received the highest evaluation score from the Evaluation Committee and is recommended to perform the following audit services of the County:

- 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

ALTERNATIVES:

The Board may choose not to award the contract for audit services to Eide Bailly, LLP; however, this is not recommended since Eide Bailly, LLP, is recommended by the Evaluation Committee based on their qualifications and experience serving other governments similar in size to Solano County.

OTHER AGENCY INVOLVEMENT:

The Auditor-Controller's Office worked with General Services and the Evaluation Committee during the RFP process and discussed the recommendation with County Counsel and the County Administrator. All parties agree with the recommendation. County Counsel has also reviewed the contract to ensure it meets all the legal and contractual requirements.

CAO RECOMMENDATION:

APPROVE DEPARTMENTAL RECOMMENDATION