

To: Administration & Finance Committee

Date: 3/30/2023

From: Amber Johnson, Chief Financial Officer

Reviewed by: WC.

SUBJECT: Award Contract to Brown Armstrong for Independent Year End Financial Audits

Background:

The current contract with Brown Armstrong Accountancy Corporation (Brown Armstrong) for independent year-end financial audits expired on June 30, 2022. On February 20, 2023, County Connection issued a Request for Proposals (RFP) for financial auditing services. The RFP requested proposals for a contract with an initial three-year term, plus options for two one-year extensions. Responses were due March 17, 2023.

Evaluation Process:

County Connection received six proposals from qualified firms. The proposals were reviewed by staff based on the following criteria:

Experience of firm in performing audits of agencies similar to County Connection	25
Qualifications and experience of personnel to be assigned to County Connection	25
Fee for services	25
Comprehensive quality of audit work plan and responsiveness to time frame	25
Total	100

Based on the initial scoring, three firms were invited to interview and present more detail on their audit approach and experience. The interviews were conducted in March 2023 by a panel consisting of County Connection finance department staff and a finance department staff member from another local transit agency.

The panel concluded that Brown Armstrong possesses significant experience with governmental accounting, the transit industry, and compliance auditing. Moreover, this firm provided clear schedules and key staff members with deep experience with transit agency audits. Staff believe that Brown Armstrong will effectively and efficiently provide comprehensive year end audit services and has the expertise to continue to improve the sophistication of the Authority's financial reporting.

Financial Implications:

The cost to the Authority for the services to be provided shall not exceed the maximum sum of \$299,453, including direct non-salary expenses for initial three-year term plus two optional one-year extensions. The audit expense is included in the Authority's FY 2024 proposed draft budget and forecast.

Recommendation:

Staff recommend awarding a contract for independent year-end financial audits to Brown Armstrong for a three-year base term with two one-year options for an amount not-to-exceed \$299,453.

Action Requested:

Staff requests that the A&F Committee forward this item to the Board for approval to authorize the General Manager to enter into an agreement with Brown Armstrong for independent year-end financial audits.

Attachments:

None.