

To: Board of Directors

Date: 4/12/2023

From: Amber Johnson, Chief Financial Officer

Reviewed by:

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 an 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:

The Administration and Finance (A&F) Committee and 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:

The A&F Committee and staff request the Board of Directors to adopt Resolution No. 2023-031, authorizing the General Manager to enter into a contract for financial audit services with Brown Armstrong Accountancy Services for a period of up to five years, beginning with FY 2023.

Attachments:

Attachment 1: Resolution No. 2023-031

RESOLUTION NO. 2023-031

**BOARD OF DIRECTORS
CENTRAL CONTRA COSTA TRANSIT AUTHORITY
STATE OF CALIFORNIA**

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**AWARDING A CONTRACT TO BROWN ARMSTRONG ACCOUNTANCY CORPORATION
FOR FINANCIAL AUDITING SERVICES IN AN AMOUNT NOT TO EXCEED \$299,453**

WHEREAS, the County of Contra Costa, the Cities of Clayton, Concord, Lafayette, Martinez, Orinda, Pleasant Hill, San Ramon and Walnut Creek, and the Towns of Danville and Moraga (hereinafter "Member Jurisdictions") have formed the Central Contra Costa Transit Authority ("CCCTA"), a joint exercise of powers agency created under California Government Code Section 6500 *et seq.*, for the joint exercise of certain powers to provide coordinated and integrated public transportation services within the area of its Member Jurisdictions ("Service Area");

WHEREAS, CCCTA's contract for independent year-end financial audits expired on June 30, 2022;

WHEREAS, on February 20, 2023, CCCTA issued a Request for Proposals ("RFP") for financial auditing services, and received six proposals, which were evaluated by an evaluation panel consisting of CCCTA staff and a staff member from a partner agency in accordance with the evaluation process in the RFP;

WHEREAS, the evaluation panel has recommended that Brown Armstrong Accountancy Corporation ("Brown Armstrong") provide financial auditing services based upon its significant experience with governmental accounting, the transit industry, and compliance auditing; and

WHEREAS, staff recommends and the Administration and Finance Committee concurs that the Board of Directors award a contract to Brown Armstrong for financial auditing services for a three-year base term with two one-year options terms, in an amount not to exceed \$299,453.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Central Contra Costa Transit Authority awards a contract to Brown Armstrong Accountancy Corporation for financial auditing services for a three-year base term and two one-year option terms, in an amount not to exceed \$299,453;

BE IT FURTHER RESOLVED that the General Manager or designee is authorized to execute the agreement with Brown Armstrong, in a form approved by legal counsel; and

BE IT FURTHER RESOLVED that the General Manager or designee is authorized to exercise up to two one-year option terms, if in the best interest of CCCTA.

Regularly passed and adopted this 20th day of April, 2023 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Amy Worth, Chair, Board of Directors

ATTEST:

Lathina Hill, Clerk to the Board