

## A G E N D A



## Recommendation for Council Action (Purchasing)

Austin City Council	Item ID:	23683	Agenda Number	50.
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Meeting Date:	April 25, 2013
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Department:	Purchasing
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## Subject

Authorize award, negotiation and execution of a 36-month requirements service contract with DELOITTE & TOUCHE LLP, for professional auditing services in an estimated not to exceed \$2,976,088, with two 12-month extension options in estimated amounts not to exceed \$1,036,608 for the first extension option, and \$1,064,703 for the second extension option, for a total estimated contract amount not to exceed \$5,077,399.

## Amount and Source of Funding

Funding in the amount of \$415,000 is available in the Fiscal Year 2012-2013 Operating Budget of the Financial Services Department. Funding for the remaining 32 months of the original contract period and extension options is contingent upon available funding in future budgets.

## Fiscal Note

There is no anticipated fiscal impact. A fiscal note is not required.

Purchasing Language:	Best evaluated proposal received.
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Prior Council Action:	
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For More Information:	Jeffery Dilbert, Corporate Purchasing Manager /974-2021.
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Boards and Commission Action:	
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Related Items:	
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MBE / WBE:	This contract will be awarded in compliance with City Code Chapter 2-9C (Minority-Owned and Women-Owned Business Enterprise Procurement Program). Although no goals were established for this solicitation, 15.00% MBE subcontractor participation has been met.
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## Additional Backup Information

This contract is for professional auditing services for the City of Austin's Comprehensive Annual Financial Report (CAFR), Federal and State Single Audit Reports, and other special services. The auditing services will consist of an annual audit of the CAFR, as required by Article VII, Section 15 of the Austin City Charter; Single Audit of Federal and State financial assistance programs, as required by the Single Audit Act of 1996 and the State of Texas Single Audit Circular; review of revenue or general obligation bond issuances as needed; and selected reviews for contract compliance and/or the annual filing with the Texas Commission for Environmental Quality. The Auditor may provide special services if requested by the City. The City has included an estimated \$100,000 per contract year for special services.

The original term of the contract period is 36 months for the audits for fiscal years ending September 30, 2013, 2014, and 2015. The contract authorization for the first year is \$858,747, \$881,077 for the second year, and \$936,264 for the third year, in addition to \$100,000 per year for special services as needed for a total of \$2,976,088 for 36 months. The contract award is expected to be executed in May 2013, with an effective contract start date of June 1, 2013. A Request for Proposal (RFP) was issued on December 10, 2012, with responses due on January 28, 2013. The City received eight proposals. Deloitte & Touche LLP is a national firm with extensive experience in governmental auditing. They have performed CAFR and Single Audits for the City of Austin, as well as other governmental entities, including the City of Fort Worth, the City of Houston, Dallas County, and the Dallas Fort Worth International Airport. This firm subcontracts auditing services with Montemayor Hill & Company, P.C., a Minority/Disadvantaged Business (MDB) firm, certified with the City of Austin. They will participate 15% of the total contract amount.

The evaluation panel consisted of City financial, accounting, and auditing professionals and executives. The panel recommended Deloitte & Touche, LLP as the best proposer for this project based on conformance to the scope of work, qualifications, demonstrated experience, local presence, and cost.

MBE/WBE Solicited: 4 /4

MBE/WBE Proposed: 0/0

### **PROPOSAL ANALYSIS**

- a. Adequate competition.
- b. 109 notices were sent including 4 MBEs and 4 WBEs. Eight proposals were received with no response from the MBEs/WBEs.

### **APPROVAL JUSTIFICATION**

- a. Best evaluated bid received.
- b. The Purchasing Office concurs with the Controller's Office of the Financial Services Department's recommended award.
- c. Advertised in the Austin American-Statesman and on the Internet.