

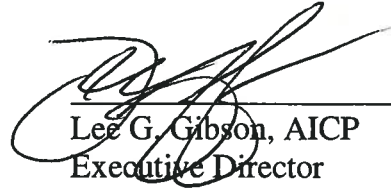


February 17, 2012

AGENDA ITEM 4.8

TO: Regional Transportation Commission

FROM: Karen Heddy, MCA
Procurement and Compliance
Analyst



Lee G. Gibson, AICP
Executive Director

SUBJECT: Award of the Certified Audit Contract

RECOMMENDATION

Authorize the Executive Director to award a five-year contract to Kafoury Armstrong & Co. as Certified Auditor of Record for the Regional Transportation Commission.

SUMMARY

The Regional Transportation Commission (RTC) is required by Nevada Revised Statutes and Federal Regulations to have an annual Certified Audit completed by Independent Certified Public Accountants. In December 2011, the Commission approved the Request for Proposal (RFP) for Certified Audit Services for a five year contract. The RFP was released in December. Proposals were rated 80% for Technical Criteria and 20% for Cost. Four proposals were received. The proposers were Kafoury Armstrong & Co. (incumbent), Mayers Hoffman McCann (MHM) - Los Angeles, BDO - Las Vegas, and Piercy Bowler Taylor and Kern (PBTK) - Las Vegas. There were five raters: Tom Taelour, RTC Chief Financial Officer; Steve Burlie, RTC Administrative Services Director; Stephanie Haddock, RTC Senior Financial Administrator; Amy Cummings, RTC Planning Director; and Cynthia Washburn, Interim Comptroller for Washoe County. All five proposers rated Kafoury Armstrong & Co. as the number one overall proposal. The point totals were as follows: Kafoury Armstrong & Co. – 458, PBTK – 422, MHM – 339, and BDO – 335. The lowest cost was provided by PBTK followed by BDO, Kafoury Armstrong & Co. and MHM although cost was only 20% of the overall proposal. The panel recommendation for award is Kafoury Armstrong & Co.

FISCAL IMPACT

The five year fiscal impact associated with this contract is \$549,450.

PREVIOUS ACTIONS BY BOARD

December 20, 2011 Approved the Request for Proposals (RFP)

ADDITIONAL BACKGROUND

As required by Nevada Revised Statutes and Federal Regulations, the RTC must have a Financial and Compliance Audit conducted annually by an Independent Certified Public Accountant. The audit must be conducted in accordance with U.S. Generally Accepted Auditing Standards and with Government Auditing Standards (Yellow Book). Government Auditing Standards require testing and reporting on compliance with laws, regulations and contracts and on internal control over financial reporting. Additionally, RTC is subject to the Single Audit Act. The deliverables for the engagement will be:

- An audit opinion on the basic financial statements
- A report on compliance with laws, regulations and contracts that may have a material effect on the financial statements and on RTC's internal control over financial reporting for each year
- A report on compliance with the requirements applicable to each major program and on internal control over compliance in accordance with the U.S Office of Management and Budget (OMB) Circular A-133 for each year
- Written recommendations that are to be presented to the members of the Commission in conjunction with each annual audit