

REQUEST FOR LEGISLATIVE ACTION

Version 6/10/19

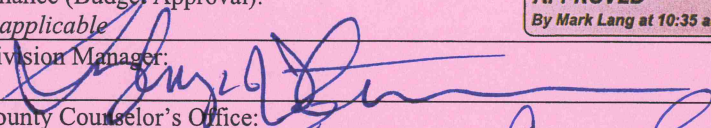
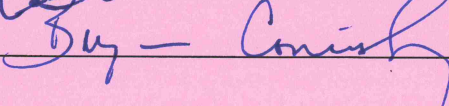
Completed by County Counselor's Office:

Res/Ord No.: 20637

Sponsor(s): Charlie Franklin

Date: March 15, 2021

SUBJECT	<p>Action Requested <input checked="" type="checkbox"/> Resolution <input type="checkbox"/> Ordinance</p> <p>Project/Title: <u>Awarding a Twelve Month Contract with the option of extending the Contract for three additional Twelve Month periods, for Auditing Services for the Finance and Purchasing Department to BKD CPAs & Advisors of Kansas City, Missouri under the terms and conditions of Request for Proposal No. 1-21</u></p>																														
BUDGET INFORMATION <i>To be completed By Requesting Department and Finance</i>	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td>Amount authorized by this legislation this fiscal year:</td> <td style="text-align: right;">\$137,900</td> </tr> <tr> <td>Amount previously authorized this fiscal year:</td> <td></td> </tr> <tr> <td>Total amount authorized after this legislative action:</td> <td style="text-align: right;">\$137,900</td> </tr> <tr> <td>Amount budgeted for this item * (including transfers):</td> <td style="text-align: right;">\$137,900</td> </tr> <tr> <td>Source of funding (name of fund) and account code number:</td> <td></td> </tr> <tr> <td>001-1404-56010 General Fund, Finance, Accounting & Audit Services</td> <td style="text-align: right;">\$137,900</td> </tr> </table> <p>* If account includes additional funds for other expenses, total budgeted in the account is: \$</p> <p>OTHER FINANCIAL INFORMATION:</p> <p><input type="checkbox"/> No budget impact (no fiscal note required) <input type="checkbox"/> Term and Supply Contract (funds approved in the annual budget); estimated value and use of contract: Department: _____ Estimated Use: _____</p> <p>\$137,900 is the estimated cost for the 2021 Contract.</p> <p>Prior Year Budget (if applicable): \$137,900 Prior Year Actual Amount Spent (if applicable): \$133,900</p>	Amount authorized by this legislation this fiscal year:	\$137,900	Amount previously authorized this fiscal year:		Total amount authorized after this legislative action:	\$137,900	Amount budgeted for this item * (including transfers):	\$137,900	Source of funding (name of fund) and account code number:		001-1404-56010 General Fund, Finance, Accounting & Audit Services	\$137,900																		
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PRIOR LEGISLATION	<p>Prior ordinances and (date): Prior resolutions and (date): 19399, February 27, 2017</p>																														
CONTACT INFORMATION	<p>RLA drafted by (name, title, & phone): Barbara Casamento, Purchasing Administrator, 881-3253</p>																														
REQUEST SUMMARY	<p>The Finance and Purchasing Department requires a Contract for Auditing Services for the Comprehensive Annual Financial Report (CAFR) and the Single (Grant) Audit. The Purchasing Department issued Request for Proposal No. 1-21 in response to those requirements.</p> <p>A total of twenty-nine notifications were distributed and five responses were received, one of which was rejected for non-compliance. The following four proposals were evaluated as follows:</p> <table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th>Respondent</th> <th>Respondent's Capability Government Audit Experience 45 Points</th> <th>References 20 Points</th> <th>Pricing 35 Points</th> <th>Total Scores</th> <th>Total Cost of Contract</th> </tr> </thead> <tbody> <tr> <td>Allen Gibbs Houlek Wichita, KS</td> <td>41.43</td> <td>20</td> <td>32</td> <td>93.43</td> <td>\$584,490</td> </tr> <tr> <td>BKD, Kansas City, MO</td> <td>43.86</td> <td>20</td> <td>33</td> <td>96.86</td> <td>\$576,825</td> </tr> <tr> <td>Clifton Larson Overland Park, KS</td> <td>40.14</td> <td>20</td> <td>35</td> <td>95.14</td> <td>\$546,735</td> </tr> <tr> <td>RSM, Kansas City, MO</td> <td>39.14</td> <td>20</td> <td>25</td> <td>84.14</td> <td>\$703,000</td> </tr> </tbody> </table> <p>Pursuant to Section 1054.6 of the Jackson County Code, the Finance and Purchasing department recommends the Award of the Contract for the furnishing of Auditing Services to BKD CPAs & Advisors of Kansas City, Missouri as the best proposal received.</p>	Respondent	Respondent's Capability Government Audit Experience 45 Points	References 20 Points	Pricing 35 Points	Total Scores	Total Cost of Contract	Allen Gibbs Houlek Wichita, KS	41.43	20	32	93.43	\$584,490	BKD, Kansas City, MO	43.86	20	33	96.86	\$576,825	Clifton Larson Overland Park, KS	40.14	20	35	95.14	\$546,735	RSM, Kansas City, MO	39.14	20	25	84.14	\$703,000
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CLEARANCE	<input checked="" type="checkbox"/> Tax Clearance Completed (Purchasing & Department) <input type="checkbox"/> Business License Verified (Purchasing & Department) <input checked="" type="checkbox"/> Chapter 6 Compliance - Affirmative Action/Prevailing Wage (County Auditor's Office)		
COMPLIANCE	<input checked="" type="checkbox"/> MBE Goals MBE Goals of 9.5% were recommended, BKD is meeting those goals and the Contractors <input type="checkbox"/> WBE Goals Utilization Plan has been approved by Compliance <input type="checkbox"/> VBE Goals		
ATTACHMENTS	A Recap of Bids Received, Award Recommendation Memorandum from Bob Crutsinger, Director of Finance and Purchasing, Evaluation Score Sheet, the pertinent pages of BKD's proposal and the proposed Contract/Award.		
REVIEW	Department Director:	Bob Crutsinger	Digitally signed by Bob Crutsinger Date: 2021.02.09 11:59:39 -06'00'
	Finance (Budget Approval): <i>If applicable</i>		APPROVED By Mark Lang at 10:35 am, Feb 09, 2021
	Division Manager:		Date: 3/8/2021
	County Counselor's Office:		Date: 3/11/2021

Fiscal Information (to be verified by Budget Office in Finance Department)

- This expenditure was included in the annual budget.
- Funds for this were encumbered from the _____ Fund in _____.
- There is a balance otherwise unencumbered to the credit of the appropriation to which the expenditure is chargeable and there is a cash balance otherwise unencumbered in the treasury to the credit of the fund from which payment is to be made each sufficient to provide for the obligation herein authorized.
- Funds sufficient for this expenditure will be/were appropriated by Ordinance # _____
- Funds sufficient for this appropriation are available from the source indicated below.

Account Number:	Account Title:	Amount Not to Exceed:

- This award is made on a need basis and does not obligate Jackson County to pay any specific amount. The availability of funds for specific purchases will, of necessity, be determined as each using agency places its order.
- This legislative action does not impact the County financially and does not require Finance/Budget approval.

Fiscal Note:

This expenditure was included in the Annual Budget.

PC# _____

Date: February 9, 2021

RES # 20637

Org Code/Description	Object Code/Description	Not to Exceed
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001	General Fund	
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1404 Finance	56010 Auditing and Accounting Services	\$ 137,900
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\$ 137,900

APPROVED
 By Mark Lang at 10:35 am, Feb 09, 2021

Budget Office

INTEROFFICE MEMORANDUM

TO: Barbara Casamento
FROM: RFP Evaluation Committee
SUBJECT: RFP 1-21 (County Auditing Services)
DATE: February 2, 2021

There were four respondents for RFP 1-21 (County Auditing Services): Allen, Gibbs & Houlik (AGH), BKD CPAs & Advisors, CliftonLarsonAllen LLP (CLA), and RSM US LLP. After careful review of the proposals and interviews with all the respondents, the evaluation committee is recommending BKD be awarded the contract.

The audit services will include the Comprehensive Annual Financial Report (CAFR) and the Single Audit for the fiscal year ending December 31, 2020 with options, if exercised by the County, of extending the contact for up to three (3) subsequent fiscal years.

Evaluation Committee

The evaluation committee was composed of a broad range of County associates. The representatives on the committee were from the County Auditor's Office, COMBAT, Parks+Rec, and the Finance Department.

As stated in the request for proposal document, the factors considered when evaluating the proposals were:

- 45% Respondent's Capability and Governmental Audit Experience
- 20% References
- 35% Pricing

BKD

1. Respondent Capability and Government Audit Experience

BKD possesses a sizable governmental audit team with plenty of experience and capability of taking on an audit the size of the County's. BKD is the incumbent audit firm and has conducted the audit for the previous four fiscal years. BKD is knowledgeable of the County operations and claims to provide a higher level of partner involvement compared to other national firms. All individuals working on the audit would be based out of the Kansas City office.

BKD would be partnering with an MBE firm, CMA Group, LLC, at nine and one-half percent (9.5%) participation. This participation is equal to the goal established by the County Compliance Review Office. The services provided by this firm would include Single Audit and other financial audit support.

2. Interview

The evaluation committee members conducted a virtual interview with BKD. The representatives of BKD in the interview were Rachel Dwiggin, Managing Partner (Client Engagement Partner) and Jacob Holman (Audit Director). The interview was informative and provided the committee valuable information on the audit process and that their engagement would have substantial partner involvement.

A representative from their MBE firm, CMA Group, was not in attendance to address the committee. However, the committee did not believe this to be significant enough to deduct points.

3. References

BKD's references, City and County of Denver, Sedgwick County, Kansas, and the University of Missouri System, provided complimentary recommendations for their services.

4. Pricing

Per the RFP requirements, the pricing quote based on seven major funds and three major grant programs was \$137,900 for the first year of the audit. This is equal to the price paid for the most recent audit year. The future pricing would increase approximately three percent (3%) over the term of the contract. The total cost for the four years of the contract is \$576,825

BKD had the second lowest pricing among respondents. The \$576,825 quote from BKD for the four-year agreement was \$30,090 more than lowest bid and \$126,175 less than the highest bid. See attached Exhibit B for pricing analysis.

5. Evaluation Scoring

See the attached Exhibit B showing the Evaluation Scoring Summary

**Recommendation Letter
Exhibit A**

**Jackson County, Missouri
Analysis of Pricing for RFP 1-21, Auditing Services**

COUNTY AUDIT

	<u>AGH</u>	<u>BKD</u>	<u>CLA*</u>	<u>RSM</u>
Audit Year 2020 \$	125,000	127,000	111,300	145,000
Audit Year 2021	130,000	130,750	115,500	149,000
Audit Year 2022	135,850	134,750	119,910	153,000
Audit Year 2023	142,640	138,750	124,425	157,000
Total \$	533,490	531,250	471,135	604,000

Additonal Fund \$	-	5,500-7,500	2,500	5,000
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GRANT AUDIT

	<u>AGH</u>	<u>BKD</u>	<u>CLA*</u>	<u>RSM</u>
Audit Year 2020 \$	12,000	10,900	18,900	24,000
Audit Year 2021	12,500	11,225	18,900	24,500
Audit Year 2022	13,000	11,550	18,900	25,000
Audit Year 2023	13,500	11,900	18,900	25,500
Total \$	51,000	45,575	75,600	99,000

Additional Program \$	6,500	4,500 -6,000	5,000	6,000
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TOTAL COST

(excl. add'l fund/ program) \$	<u>AGH</u>	<u>BKD</u>	<u>CLA*</u>	<u>RSM</u>
	584,490	576,825	546,735	703,000

* Fee includes a 5% Technology and Client Support Fee

Jackson County, MO --- Evaluation Scoring Sheet - Summary
RFP 1-21 --- Auditing Services

Criteria & Scoring	Respondent Name			
	AGH	BKD	CLA	RSM
Section 1: Respondent Capability and Governmental Audit Experience (45 points available in section)				
1. a.) Response to RFP Criteria (5 points available)	4.43	5.00	4.00	4.57
1. b.) Respondent Capability (15 points available)	13.71	14.57	13.43	13.43
1. c.) Governmental Audit Experience (15 available)	14.86	14.71	14.14	13.57
1. d.) Interview (10 points available)	8.43	9.57	8.57	7.57
Total Points - Section 1	41.43	43.86	40.14	39.14
Section 2: References (20 points available in section)				
	20.00	20.00	20.00	20.00
Section 3: Pricing (35 points available in section)				
	32.00	33.00	35.00	25.00
Respondent Total - All Sections	93.43	96.86	95.14	84.14