



**COUNTY OF SAN MATEO**  
**Inter-Departmental Correspondence**  
County Manager's Office

**DATE:** March 30, 2015  
**BOARD MEETING DATE:** April 14, 2015  
**SPECIAL NOTICE/HEARING:** None  
**VOTE REQUIRED:** Majority

**TO:** Honorable Board of Supervisors  
**FROM:** John L. Maltbie, County Manager  
**SUBJECT:** Agreement with Macias Gini & O'Connell for Professional Auditing Services

**RECOMMENDATION:**

Adopt a resolution:

- A. Authorizing the President of the Board of Supervisors to execute an agreement with Macias Gini & O'Connell for the provision of financial audit services for the fiscal years ending June 30, 2015, 2016 and 2017 in an amount not to exceed \$1,112,340; and
- B. Authorizing the County Manager to execute subsequent agreements and minor modifications not to exceed an aggregate of \$25,000 and to make minor changes to the types of services and activities provided under the Agreement.

**BACKGROUND:**

The County Charter (Article VI Section 603) provides that the Board of Supervisors shall have an annual audit made by a certified public accountant and the auditor shall report on the County's financial transactions and records and the effectiveness of internal controls.

**DISCUSSION:**

A Request for Proposal (RFP) for professional audit services was issued in January 2015 for the same scope of services as the recommended agreement. The RFP was sent to twenty-four firms and staff followed-up with all firms to confirm receipt. Additionally, the RFP was posted to Public Purchase, and online database of government bid opportunities. An additional 178 firms nationally were notified of this RFP through Public Purchase. The RFP was also advertised twice in a local newspaper.

The County received two proposals in response to its RFP (see attached summary of RFP responses) and Macias Gini & O'Connell (MGO) was determined to be the best fit based on its experience and ability to complete the required financial audits. The term of the recommended agreement is from April 14, 2015 to March 31, 2018, for the fiscal years ending June 30, 2015, 2016 and 2017, with two one-year options to extend the contract. The agreement includes the audit of the County's financial statements, the Single Audit programs, and a stand-alone audit of the San Mateo Medical Center.

MGO complies with the County's insurance and contract requirements, including equal benefits, non-discrimination and jury duty.

The agreement and Resolution have been reviewed and approved by County Counsel as to form.

This agreement contributes to the Shared Vision 2025 outcome of a Collaborative Community by ensuring that the County's basic financial statements are audited at the end of each Fiscal Year by a professional team of independent auditors.

**PERFORMANCE MEASURE(S):**

<b>Measure</b>	<b>FY 2014-15 Estimate</b>	<b>FY 2016-17 Projected</b>
Submission of financial statements to the State on time	Yes	Yes
Attain Certificate of Achievement for Excellence in Financial Reporting for the County Comprehensive Annual Financial Report (CAFR)	Yes	Yes

**FISCAL IMPACT:**

The auditors agree to perform the services required under this agreement for an all-inclusive maximum amount not to exceed the following by fiscal year, for a total of \$1,112,340:

FY 2014-15: \$363,675

FY 2015-16: \$373,800

FY 2016-17: \$384,865

These costs represent an approximately 10% reduction from the current costs for these services. The agreement is funded by the General Fund.