

FORM APPROVED COUNTY COUNSEL
 BY: GREGORY P. PRIAMOS
 DATE: 4/7/15

Departmental Concurrence

**SUBMITTAL TO THE BOARD OF SUPERVISORS
 COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

126



FROM: Auditor-Controller's Office

SUBMITTAL DATE:
 March 31, 2015

SUBJECT: Approval of Amendment no.1 to the Brown Armstrong Accountancy Corporation, Services for the County of Riverside, Contract ID # ACARC-94620-001-06/15. 4 years. All Districts [\$134,830]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve and execute Amendment no.1 on the professional service agreement with Brown Armstrong Accountancy Corporation and increase the agreement from \$1,100,000 to \$1,234,830 in accordance with ordinance 459; and
2. Approve and direct the Auditor-Controller to make the budget adjustments shown on Schedule A, attached.

BACKGROUND:
Summary

On June 30, 2014, the Board of Supervisors approved the professional services agreement with Brown Armstrong Accountancy Corporation for Countywide financial audit services for a five year period.

(continued to page 2)

Paul Angulo
 Paul Angulo, CPA, M.A.
 Auditor-Controller

FISCAL PROCEDURES APPROVED
 PAUL ANGULO, CPA, AUDITOR-CONTROLLER
 BY: Esteban Hernandez
 DATE: 4/14/15

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$ 36,310	\$ 32,570	\$ 134,830	\$ 0	Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/>
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0	

SOURCE OF FUNDS: Auditor-Accounting Fees

Budget Adjustment: Yes

For Fiscal Year: 14/15-17/18

C.E.O. RECOMMENDATION:

APPROVE

BY: *Samuel Wong* 4/2/15
 Samuel Wong

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Benoit, seconded by Supervisor Tavaglione and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Tavaglione, Washington, Benoit and Ashley
 Nays: None
 Absent: None
 Date: April 28, 2015
 xc: Auditor

Kecia Harper-Ihem
 Clerk of the Board
 By: *Kecia Harper-Ihem*
 Deputy

- A-30
- Positions Added
- 4/5 Vote
- Change Order

3-10

SUBMITTAL TO THE BOARD OF SUPERVISORS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA
FORM 11: Approval of Amendment no.1 to the Brown Armstrong Accountancy Corporation, Services for the
County of Riverside, Contract ID # ACARC-94620-001-06/15. 4 years. All Districts [\$134,830]

DATE: March 31, 2015

PAGE: 2 of 2

BACKGROUND:

Summary (continued)

The services were competitively bid on RFP ACARC-94620-001-06/15 and the County received 3 bid responses to the RFP submitted by the vendors. Brown Armstrong Accountancy Corporation was the lowest responsive/responsible vendor for these services. Brown Armstrong Accountancy Corporation will hold the contract pricing for these additional services. Brown Armstrong Accountancy Corporation will audit the Palm Desert Financing Authority, Southwest Financing Authority, and the 401a plan of the County.

A budget adjustment is required to cover the cost of the amendment and to account for the cost recovery through auditing fees.

Impact on Citizens and Businesses

There is no impact to the Citizens.

SUPPLEMENTAL:

Additional Fiscal Information

None

Contract History and Price Reasonableness

Board Approved Agenda Item 3.10 5/20/2014. Purchasing released a Request for Proposal (ACARC-015) on behalf of the Auditor-Controller's Office, sending solicitations to eleven companies and advertising on the County's internet. The County received three bid responses to the RFP submitted by the vendors. An evaluation team consisting of personnel from the Auditor-Controller and RCA reviewed the proposals. The evaluation team reviewed and scored each proposal based on the bidders overall responsiveness to the requirements of the RFP, experience and ability, overall cost to the County, references, financial status, clarification, exceptions or deviations and credential, resumes, licenses, and certifications. Three responses were received by the County with an aggregate cost ranging from \$1,100,000 to \$1,564,677 for five years. The evaluation committee recommends that the award be given to Brown Armstrong Accountancy Corporation as the lowest responsive/responsible vendor with an aggregate contract price of \$1,100,000, for five years.

Attachments

- A. Schedule A
- B. Amendment No. 1 to the ACARC-94620-001-06/15 contract

BOARD OF SUPERVISORS

FORM 11: Approval of Amendment no.1 to the Brown Armstrong Accountancy Corporation, Services for the County of Riverside, Contract ID # ACARC-94620-001-06/15. 4 years. All Districts [\$134,830]

**County Auditor-Controller
FY 14-15
Schedule A**

Increase Appropriations:

10000-1300100000-524560	Auditing and Accounting	\$36,310
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Increase Estimated Revenue:

10000-1300100000-770500	Auditor-Accounting Fees	\$36,310
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**COUNTY OF RIVERSIDE
AMENDMENT NO.1 TO THE AGREEMENT
WITH
BROWN ARMSTRONG ACCOUNTANCY CORPORATION**

CONTRACTOR: Brown Armstrong Accountancy Corporation
Contract Term: July 1, 2014 through June 30, 2019
Effective Date of Amendment: May 15, 2015
Contract ID: ACARC-94620-001-06/15

The Agreement between Riverside County, herein referred to as COUNTY and Brown Armstrong Accountancy Corporation, herein referred to as CONTRACTOR, is amended as follows:

1. On page 3 of the Agreement, amend Section 3.1 "Compensation": The COUNTY shall pay the CONTRACTOR for services performed and expenses incurred in accordance with the terms of Exhibit B. The COUNTY is not responsible for any fees or costs incurred above or beyond the contracted amount and shall have no obligation to purchase any specified amount of services of products.
2. On page 17 of the Agreement, amend Exhibit A the "Scope of Work":
The following sections are to be added in the Scope of Work for this Agreement:

8. Southwest Financing Authority:

Services Required:

- A. An audit of the financial statements of Southwest Financing Authority for the fiscal year ending June 30, 2014 through June 30, 2018 in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, issued by the Comptroller of the United States. The CONTRACTOR will convert the financials to full accrual basis for presentation to the entity in addition to the modified accrual basis financial reporting.

8.1 Reports:

- A. Report preparation, editing, printing, binding shall be the responsibility of the CONTRACTOR. Twelve (12) bound copies of the financial statements shall be submitted to the COUNTY/Executive Office by February 1st of each of the respective years after the fiscal year end.
- B. The Annual State Controller's Report is to be prepared on the time for

submission to the State no later than October due date of each year.

9. Palm Desert Financing Authority:

Services Required:

- A. An audit of the financial statements of Palm Desert Financing Authority for the fiscal year ending June 30, 2014 through June 30, 2018 in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, issued by the Comptroller of the United States. The CONTRACTOR will convert the financials to full accrual basis for presentation to the entity in addition to the modified accrual basis financial reporting.

9.1 Reports:

- A. Report preparation, editing, printing, binding shall be the responsibility of the CONTRACTOR. Twelve (12) bound copies of the financial statements shall be submitted to the COUNTY/Executive Office by February 1st of each of the respective years after the fiscal year end.
- B. The Annual State Controller's Report is to be prepared on the time for submission to the State no later than October due date of each year.

10. County of Riverside Part-Time and Temporary employees 401(a) single-employer defined benefit employee pension plan:

10.1 Services Required:

- A. An audit of the financial statements of County of Riverside Part-Time and Temporary employees 401(a) single-employer defined benefit employee pension plan for the fiscal years ending June 30, 2015 through June 30, 2018 in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, issued by the Comptroller of the United States. The CONTRACTOR will prepare the financials in a full accrual basis for financial reporting presentation to the entity.

10.2 Reports:

- A. Report preparation, editing, printing, binding shall be the responsibility of the CONTRACTOR. Ten (10) bound copies of the financial statements shall be submitted to the COUNTY/Executive Office by December 31 of each respective year listed above.

3. On page 23 of the Agreement, amend Exhibit B the "Payment Provisions": The COUNTY agrees to pay CONTRACTOR for services listed in the Payment Provisions including all expenses, based on the availability of fiscal funding.

Current Rates

FY 2013-2014	FY 2014-2015	FY 2015-2016	FY 2016-2017	FY 2017-2018
Year 1	Year 2	Year 3	Year 4	Year 5
\$210,000.00	\$215,000.00	\$220,000.00	\$225,000.00	\$ 230,000.00

New Rates

FY 2013-2014	FY 2014-2015	FY 2015-2016	FY 2016-2017	FY 2017-2018
Year 1	Year 2	Year 3	Year 4	Year 5
\$222,050.00	\$251,310.00	\$252,570.00	\$257,840.00	\$ 263,110.00

4. All other terms and conditions of the Agreement are to remain unchanged.

IN WITNESS WHEREOF, the Parties hereto have caused their duly authorized representatives to execute this Amendment.

County

County of Riverside
Board of Supervisors
4080 Lemon Street 4th Floor
Riverside, CA 92501

Contractor

Brown Armstrong Accountancy Corporation
4200 Truxtun Avenue, Suite 300
Bakersfield, CA 93309

ATTEST:
KECIA HARPER-IHEM, Clerk
BY *[Signature]*
DEPUTY

By: *Marion Ashley* By: *Eric Xin*
Name: MARION ASHLEY Name: ERIC XIN
Title: CHAIRMAN, BOARD OF SUPERVISORS Title: PRINCIPAL
Date: APR 28 2015 Date: 4-7-2015

RFP# ACARC-015
BOS agenda # & Date MAY 20, 2014 AGENDA NO: 3.10
Form #116-311 Revision Date: 04/21/09

FORM APPROVED COUNTY COUNSEL
BY: *[Signature]* 4/13/15
DALE A. GARDNER DATE