

AGENDA: January 8, 2004

TO: Regional Transportation Commission
FROM: Linda Wilshusen, Executive Director
RE: 2003 Triennial Performance Audit

RECOMMENDATIONS

Staff recommend that the Regional Transportation Commission:

1. Approve the selection of Moss, Levy & Hartzheim to perform 2003 Triennial Performance Audit, and
 2. Approve the resolution (Attachment 1) authorizing the Executive Director to negotiate, execute and amend the contract with Moss, Levy & Hartzheim.
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BACKGROUND

At your November 6, 2003 meeting, the Commission authorized staff to issue a Request for Proposals (RFP) for the 2003 Triennial Performance Audit. The selected firm will audit the Regional Transportation Commission and Santa Cruz Metropolitan Transit District. As amended in October, 2003, the Commission's budget includes \$18,625 for these audits. The Triennial Audits will cover fiscal years 2001, 2002, and 2003 (July 1, 2000 to June 30, 2003).

DISCUSSION

Commission staff distributed the triennial audit RFP to seven firms (Attachment 2); two firms responded with proposals. Staff evaluated the proposals based on criteria delineated in the RFP, including qualifications and experience, reference checks, and cost. The cost proposals to fully meet the Commission's audit requirement as stated in the RFP were \$18,950 and \$24,000 respectively for Moss, Levy & Hartzheim and John L. Barnhart, CPA. Both respondents to the RFP are qualified and experienced in auditing organizations similar to the Commission.

John L. Barnhart, CPA performed the last audit of the Transportation Commission and the Transit District. Moss, Levy & Hartzheim, our current fiscal auditor, has performed triennial audits of Calvares Council of Government and the City of Lake Tahoe. Staff recommends contracting with Moss, Levy & Hartzheim as the lowest cost proposer. Based on the fiscal audit, Moss, Levy & Hartzheim, invests sufficient time in field and the auditors have most of the work done before they leave. Commission staff has thus far had a good working relationship with the fiscal auditors.

SUMMARY

Staff recommends that Commission select Moss, Levy & Hartzheim as the new fiscal auditor and approve the resolution (Attachment 1) authorizing the Executive Director to negotiate a five-year contract with the firm.

Attachment 1: Resolution

2: RFP Accounting Firm List

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