

# Office of the City Auditor

## City of San Diego

### Update from the City Auditor regarding the **PROCESS FOR SELECTING THE CITY'S OUTSIDE AUDITOR**

### **Review of the Draft Request for Proposal (RFP)**

**Audit Committee Meeting, June 3, 2013**



# Drafting the RFP

- Several individuals provided input:
  - ◆ Tom Hebrank, Audit Committee Member
  - ◆ City Auditor and staff
  - ◆ IBA staff
  - ◆ City Comptroller and staff
  - ◆ Purchasing Department staff

# Purpose of the RFP

- To solicit proposals from qualified independent CPA firms to provide the City with audit services
- For Fiscal Years 2014 – 2018

# Review of the Draft RFP

- Key sections to review:
  - ◆ Section B – Price Schedule (Pg 9)
  - ◆ Section C – Scope of Services (Pg 14)
    - Background (Pg 14)
    - Scope of Work (Pg 19)
    - Specific Requirements (Pg 20)
    - Qualifications and Experience (Pg 22)
  - ◆ Section G – Contract Administration Data (Pg 28)
  - ◆ Section M – Evaluation Process (Pg 90)

# Evaluation Process for Proposals

- **Evaluation Criteria (Pg 90):**
  - ◆ Responsiveness to the RFP (5 Points)
  - ◆ Response to Scope of Services (15 Points)
  - ◆ Qualifications and Experience of the Firm (10 Points)
  - ◆ Qualifications and Experience of the Project Team. (15 Points)
  - ◆ Past Performance as Indicated by References (10 Points)
  - ◆ Cost (35 Points)
  - ◆ Equal Opportunity Contracting Program (EOCP) Commitment to Equal Opportunity (25 Points)
  - ◆ Optional Oral Presentations (10 Points)

# Kroll Recommendation

- Based on previous Audit Committee discussion, the RFP no longer limits firms to a maximum of 10 years of continuous service
- Option to Extend Services/Term (Pg 33)
  - ◆ After any audit firm has performed the City's CAFR audit for the initial five-year term, this initial term can be extended for additional five (5) year terms provided that the audit firm rotates the audit partner responsible for the engagement and the firm has received a peer review report with a rating of "Pass" on its System Review.

# Proposed Timeline

- **June/July 2013** City Auditor works with Purchasing and Contracting to complete and release RFP, resolve questions raised by proposers, and collect responses to RFP
- **July 2013** Technical Evaluation Committee works with Purchasing and Contracting to review proposals.
- **August 2013** Contract negotiated; Purchasing and Contracting posts Notice of Intent to Award.
- **September 2013** Audit Committee receives formal recommendation for contract award. If Audit Committee concurs, a motion is made to forward the recommendation to the City Council for consideration and approval.
- **October/November 2013** City Council approval sought and contract awarded. Notice of Award sent to selected audit firm.

# Questions

**Eduardo Luna, City Auditor**

[cityauditor@sandiego.gov](mailto:cityauditor@sandiego.gov)

(619) 533-3165

