



City of Coral Gables
CITY COMMISSION MEETING
September 28, 2010

ITEM TITLE:

Resolution awarding an Auditing Services contract to McGladrey & Pullen, LLP pursuant to RFP 2010.07.01 and Section 2-828 of the Procurement Code in the amount of \$330,000.00 (three hundred thirty thousand dollars) for an initial three (3) year period with three (3) additional one (1) year renewal options; further authorizing the City Manager to execute said auditing services contract.

DEPARTMENT HEAD RECOMMENDATION:

Approval.

BRIEF HISTORY:

The purpose of this contract is to hire a qualified and experienced independent Certified Public Accounting firm licensed to practice in the State of Florida to provide an annual examination of the financial statements and records of the City. The audit is conducted for the purpose of forming an opinion on the basic financial statements taken as whole and to determine whether operations were conducted in accordance with legal and regulatory requirements.

On July 29, 2010, the Procurement Division of Finance formally advertised the Request for Proposals (RFP). The Procurement Division also notified forty (40) auditing firms in Coral Gables and elsewhere in Miami-Dade County of the impending RFP, and of that total, eight (8) companies downloaded the bid package from the Procurement website or picked up the document from the Procurement Division of Finance office. On August 3, 2010, a non-mandatory Pre-Proposal Conference was held with five (5) companies in attendance. On August 19, 2010, responses to the RFP were submitted by: Enterprise Risk Management; Cherry, Bekaert & Holland, LLP; Marcum Raclin; and McGladrey & Pullen, LLP. Verdeja & DeArmas, LLP submitted a no bid response.

On September 16, 2010, the City's Budget and Audit Advisory Committee serving as the Selection Committee heard presentations from the four proposers and conducted evaluations of their proposals based on the following criteria: approach to scope of services, qualifications & experience, performance timeline, presentation, references, and cost of providing services. The Budget and Audit Advisory Committee were asked to conduct the evaluation of RFP Proposals as provided under Section 218.391, Auditor Selection Procedures of the Florida Statutes. The result of that evaluation was the selection of McGladrey & Pullen, LLP, the current contractor, by the Budget and Audit Advisory Committee as the most responsive and responsible proposer.

The cost of the new three (3) year contract with McGladrey & Pullen, LLP will total \$330,000 (\$105,000-1st year, \$110,000-2nd year, and \$115,000-3rd year), which annually is a substantial decrease from their 2009-2010 audit fee of \$150,000.

FINANCIAL INFORMATION: (If Applicable)

No.	Amount	Account No.	Source of Funds
1.	\$330,000.00 (3-Years)	001-7000-519-32-00	Accounting and Auditing Services
Total:	\$330,000.00	APPROVED BY: <i>Donald A. Niles</i>	

APPROVED BY:

Department Director	City Attorney	City Manager
<i>Donald A. Niles</i>	<i>Ellyn</i>	<i>Patricia M. Johnson</i>