

**TOWN OF PRESCOTT VALLEY
REQUEST FOR COUNCIL ACTION
Date: April 23, 2015**

SUBJECT: Request for Proposal (RFP) – Auditing Services for Fiscal Years 2014-15, 2015-16 and 2016-17

SUBMITTING DEPARTMENT: Management Services

PREPARED BY: Katie Pehl, Finance Manager
William E. Kauppi, Management Services Director

AGENDA LOCATION: Comments/Communications , Consent , Work/Study ,
New Business , Public Hearing , Second Reading

ATTACHMENTS: Heinfeld, Meech & Company, PC Request for Proposal

SUMMARY/BACKGROUND: Per the Town’s Financial Policy #4-05, Section 5.5, the Town will solicit for Requests for Proposal (RFPs) from various auditors to provide auditing services for the Town and Community Facilities Districts (CFDs). Because professional services are involved, it is not required to go through a bidding process. However, Town practice has been to use an RFP process to ensure a competitive selection for an auditing firm. RFPs were sent to the following eight firms on February 18, 2015:

- Henry & Horne, LLP – Scottsdale, AZ
- Fester & Chapman PC – Phoenix, AZ
- CliftonLarsonAllen, LLP – Phoenix, AZ
- Walker & Armstrong, LLP – Phoenix, AZ
- Eide Bailly, LLC – Phoenix, AZ
- Heinfeld, Meech & Co., PC – Phoenix, AZ
- Nordstrom & Associates PC – Flagstaff, AZ
- REDW, LLC – Phoenix, AZ

Five firms did not submit bids and the three RFPs received were reviewed on March 25, 2015 by the Management Services Director and Finance Manager. The results are as follows, with the auditing firm of Heinfeld, Meech & Company having the lowest proposal for the Town Audit:

Town Audit

<u>Audit Firm</u>	<u>FY 2014-15</u>	<u>FY 2015-16</u>	<u>FY 2016-17</u>	<u>Total</u>
Heinfeld, Meech & Co., PC	25,150	28,900	27,160	81,210
REDW, LLC	29,950	27,625	28,384	85,959
Henry & Horne, LLP	35,960	32,450	32,450	100,860

CFD Audits

<u>Audit Firm</u>	<u>FY 2014-15</u>	<u>FY 2015-16</u>	<u>FY 2016-17</u>	<u>Total</u>
Henry & Horne, LLP	5,000	5,125	5,266	15,391
REDW, LLC	6,685	6,685	6,685	20,055
Heinfeld, Meech & Co., PC	10,850	11,285	11,715	33,850

The above firms and their RFPs were discussed at the Work Study session on April 16, 2015, with the consensus being that staff would pursue accepting the RFP of the auditing firm Heinfeld, Meech & Company, PC. Staff at this time is recommending this firm for approval of a contract to provide auditing services for the Town and CFDs for Fiscal Years 2014-15, 2015-16 and 2016-17.

OPTIONS ANALYSIS: Council may approve the proposal recommended by the Management Services Director and Finance Manager, reject the recommendation, select another proposal or request that more proposals be obtained.

ACTION OPTION: Motion to approve an agreement with the firm of Heinfeld, Meech & Company, PC to provide audits for the Town and Community Facilities Districts for each of the Fiscal Years 2014-2015, 2015-2016 and 2016-2017 (with the optional extension of two one-year periods). **VOTE.**

RECOMMENDATION: Staff recommends approving this agreement with Heinfeld, Meech & Company, PC to provide audit services for the Town and Community Facilities Districts.

FISCAL ANALYSIS: Funds would be budgeted in Fiscal Year 2015-16, line item 101-2510-614.3220 and 101-5000-612.3220 to cover the audit for FY 2014-15. Audits regarding the Community Facilities Districts will be charged to the appropriate budgets. The appropriate amounts would also be budgeted the following two years to cover those audits for Fiscal Years 2015-16 and FY 2016-17.

REVIEWED BY:

Management Services Director _____

Town Clerk _____

Town Attorney _____

Town Manager _____

COUNCIL ACTION:

Approved Denied Tabled/Deferred Assigned to _____