

**TOWN OF PRESCOTT VALLEY  
REQUEST FOR COUNCIL ACTION  
Date: March 25, 2010**

**SUBJECT:** Request for Proposal (RFP) – Auditing Services for Fiscal Years 2009-10, 2010-11 and 2011-12

**SUBMITTING DEPARTMENT:** Management Services

**PREPARED BY:** Jim Clemens, Finance Manager  
William E. Kauppi, Management Services Director

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

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

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**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 8, 2010:

- Henry & Horne, LLP – Casa Grande, AZ
- Clifton Gunderson LLP – Phoenix, AZ
- Fester & Chapman PC – Phoenix, AZ
- EideBailly, LLC – Phoenix, AZ
- Heinfeld, Meech & Co., PC – Phoenix, AZ
- Nordstrom & Associates PC – Flagstaff, AZ
- Walker & Armstrong, LLP – Phoenix, AZ
- LarsenAllen, LLP – Mesa, AZ

Two firms did not submit bids and the six RFPs received were reviewed on March 1, 2010 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:

<u>Audit Firm</u>	<u>FY2009-10</u>	<u>FY2010-11</u>	<u>FY2011-12</u>	<u>Total</u>
Heinfeld, Meech & Co., PC	\$ 31,967	\$ 30,081	\$ 31,104	\$ 93,152
Henry & Horne, LLP	35,806	30,556	30,556	96,918
Fester & Chapman, PC	38,945	38,575	40,355	117,875
Eide Bailly, LLP	44,920	44,365	46,065	135,350
LarsonAllen, LLP	45,810	44,536	46,080	136,426
Clifton Gunderson, LLP	65,420	68,680	68,590	202,690

The above firms and their RFPs were discussed at the Work Study session on March 18, 2010, with the consensus being that staff would pursue accepting the RFP of the auditing firm Heinfeld, Meech & Company. 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 2009-10, 2010-11 and 2011-12.

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**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.

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**ACTION OPTION:** Motion to approve an agreement with the firm of Heinfeld, Meech & Company to provide audits for the Town and Community Facilities Districts for each of the Fiscal Years 2009-2010, 2010-2011 and 2011-2012 (with the optional extension of two one-year periods), **OR** Motion not to approve this agreement with Heinfeld, Meech & Company. **VOTE.**

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

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**FISCAL ANALYSIS:** Funds would be budgeted in Fiscal Year 2010-11, line item 101-2510-614.3220 and 101-5000-612.3220 to cover the audit for FY 2009-10. 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 2010-11 and FY 2011-12.

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**REVIEWED BY:**

Management Services Director \_\_\_\_\_ Town Clerk \_\_\_\_\_

Town Attorney \_\_\_\_\_

Town Manager \_\_\_\_\_

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**COUNCIL ACTION:**

Approved  Denied  Tabled/Deferred  Assigned to \_\_\_\_\_