



**CITY OF PLANO
COUNCIL AGENDA ITEM**

CITY SECRETARY'S USE ONLY	
<input type="checkbox"/> Consent	<input type="checkbox"/> Regular <input type="checkbox"/> Statutory
Council Meeting Date:	5/14/2012
Department:	Purchasing
Department Head	Diane Palmer-Boeck
Agenda Coordinator (include phone #): Dianna Wike x7549	

CAPTION

RFP No. 2012-119-C for a one (1) year contract with four (4) optional one year renewals for the purchase of Professional Audit Services to KPMG LLP, in the expected annual amount of \$154,000, and authorizing the City Manager to execute all necessary documents.

FINANCIAL SUMMARY

NOT APPLICABLE OPERATING EXPENSE REVENUE CIP

FISCAL YEAR: 2012-13 thru 2016-17	Prior Year (CIP Only)	Current Year	Future Years	TOTALS
Budget	0	0	810,000	810,000
Encumbered/Expended Amount	0	0	0	0
This Item	0	0	-810,000	-810,000
BALANCE	0	0	0	0

FUND(s): GENERAL FUND; 115 TRUST FUND; RETIREMENT SECURITY PLAN

COMMENTS: This item approves price quotes for a one-year contract with four one-year renewals. Expenditures will be made within the approved budget appropriations for each year of the contract. For FY 2012-13, the expected break-out will be: \$123,000 (General Fund); \$10,000 (115 Trust Fund); and \$21,000 (Retirement Security Plan). The expected cost in future years is FY 2013-14 \$158,000; FY 2014-15 \$162,000; FY 15-16 \$166,000; and FY 2016-17 \$170,000.

STRATEGIC PLAN GOAL: Hiring of outside auditors relates to the City's goal of Financially Strong City with Service Excellence.

SUMMARY OF ITEM

Staff recommends the proposal of KPMG LLP, in the expected annual amount of \$154,000, be accepted as the best value conditioned on the timely execution of necessary contract documents for Professional Audit Services. The audits are required by our bondholders and other regulations.

List of Supporting Documents: Memorandum Recap	Other Departments, Boards, Commissions or Agencies
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MEMO

TO: PURCHASING DEPARTMENT
FROM: ANDREA COCKRELL, CONTROLLER
DATE: APRIL 13, 2012
RE: **AWARD RECOMMENDATION
RFP No. 2012-119-C
RFP FOR PROFESSIONAL AUDIT SERVICES**

It is the recommendation of the City to award **2012-119-C RFP for Professional Audit Services**, to KPMG LLP (KPMG) in the amount of \$154,000 for the first year. The contract is 1 year with four optional renewal years. The incremental increases for years 2014 – 2018, should they be renewed, are \$4,000 per year.

KPMG appears capable of meeting the requirements of the aforementioned **Financial Statement & Single audit, Retirement Security Plan Audit and 115 Trust Audit**. The audits are required by our bondholders and other regulations; therefore, there is no option of not awarding to a vendor. As stated in the proposal documentation, this contract is to be awarded in accordance with the evaluation criteria stated herein the proposal packet.

The Evaluation Committee reviewed each proposal and applied technical scoring to all nine (9) proposals received. Each committee member rated the nine firms independently without reviewing the cost of the service. The final scores were discussed amongst the Evaluation Committee and a final overall score was given to each firm. Based upon the overall scores, KPMG scored the highest. Although KPMG was not the lowest cost, they scored high in experience and audit approach which gave them the highest score, coupled with a low cost.

The Recommendation of Award based on the Overall Weighted Score is to KPMG.

CITY OF PLANO

RFP NO. 2012-119-C RFP FOR PROFESSIONAL AUDIT SERVICES

RFP opening Date/Time: March 28, 2012 at 3:00 PM

Number of Vendors Notified: 676

Vendors Submitting "No Bids": 0

Number of Proposals Submitted: 9

ALLEN, GIBBS & HOULIK, L.C.	\$123,715
BKD, LLP	\$134,150
WEAVER AND TIDWELL, LLP dba WEAVER NULL-LAIRSON, P.C.	\$148,940
NULL-LAIRSON, P.C.	\$152,905
KPMG LLP	\$154,000
GRANT THORNTON LLP	\$154,755
MCGLADREY & PULLEN, LLP	\$164,275
CROWE HORWATH LLP	\$167,026
DELOITTE & TOUCHE LLP	\$210,650

Proposals Received – Not Considered: 0

Recommended Vendor(s):

KPMG LLP \$154,000

Dianna Wike

April 11, 2012

Dianna Wike, Contract Specialist

Date