



## Legislation Text

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File #: 20-363, Version: 1

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### Memorandum

**Date:** April 28, 2020

**To:** The Honorable Moke Simon, Chair, Lake County Board of Supervisors

**From:** Cathy Saderlund, Auditor-Controller/County Clerk  
By: Lisa Casian, Chief Deputy Auditor-Controller

**Subject:** Approve Agreement Between County of Lake and CliftonLarsonAllen, LLP for Audit Services for Fiscal Year Ending June 30, 2020 Amendment #1 and authorize the Chair to sign

**Executive Summary:** (include fiscal and staffing impact narrative):

On February 21, 2020, a Request for Proposal (RFP) was issued for County audit services and closed on March 20, 2020. On March 19, 2020, Governor Gavin Newsom issued State of California Executive Order N-33-20, a Shelter in Place and Essential Critical Infrastructure Workers During COVID-19 Response, and on March 22, 2020, a Major Disaster was declared for California COVID-19 Pandemic (DR-4482). The Audit Committee's proposed schedule to meet was March 23-27, 2020, to evaluate the top firms and interview them on March 30-31, 2020. Under the present circumstances, the County Audit Committee was unable to meet to discuss the proposals received nor interview any audit firms to make a recommendation to your Board.

**Background:**

The RFP was sent to eighteen (18) firms throughout the State. Of those firms, nine (9) did not respond, two (2) were returned as wrong address, two (2) indicated they were not interested at this time, and five (5) proposals were received. In addition, the RFP was available on the County website from February 21 to March 20, 2020. The responding firms were Eide Bailly in Sacramento, Lance Soll Lunghard LLP in Brea, Harshwal & Company LLP in Oakland, Price Paige & Co in Clovis, and CliftonLarsonAllen LLP located in Roseville.

**Evaluation:**

A cost comparison of the five proposals (see attached comparison spreadsheet) has an average proposed cost for the first audit year of \$72,200, with a low of \$66,185 (Harshwal & Co LLP) and high of \$80,500 (Price Paige & Co). The firm of CliftonLarsonAllen LLP's proposed first year cost is \$72,900, which is a 2% reduction in cost over last year. CliftonLarsonAllen LLP (CLA) has met our expectations as the County external auditor for the past nine years; they have a very large staff with a rotation of partners, managers and staff assigned to our audit; they have been performing audits of County governments for many years; they have assisted many counties to obtain the Government

Finance Officers Association Certificate of Achievement in Financial Reporting, including Lake County; and CLA is presently able to work remotely, as needed, to complete their audit functions. There would be no County staffing resources necessary for transition if this firm was retained for an additional year.

Due to the present pandemic situation and the challenges we face, it is the recommendation by the Auditor-Controller, with concurrence of the CAO, to table the present five year audit proposal until next year and extend a one year contract amendment to CliftonLarsonAllen LLP, with an audit agreement between the County of Lake and CliftonLarsonAllen LLP for audit services for the year ending June 30, 2021.

### Conclusion:

The Auditor-Controller respectfully requests your approval of the attached amendment to the agreement for audit services in the amount of \$72,900 for the fiscal year ending June 30, 2020

### If not budgeted, fill in the blanks below only:

Estimated Cost: \_\_\_\_\_ Amount Budgeted: \_\_\_\_\_ Additional Requested: \_\_\_\_\_ Future Annual Cost: \_\_\_\_\_

### Consistency with Vision 2028 and/or Fiscal Crisis Management Plan (check all that apply):

- |  |  |   |  |
|--|--|---|--|
| <input type="checkbox"/> Well-being of Residents | <input type="checkbox"/> Public Safety               | <input type="checkbox"/> Infrastructure   | <input checked="" type="checkbox"/> Not applicable |
| <input type="checkbox"/> Economic Development    | <input type="checkbox"/> Disaster Recovery           | <input type="checkbox"/> County Workforce | <input type="checkbox"/> Technology Upgrades       |
| <input type="checkbox"/> Community Collaboration | <input type="checkbox"/> Business Process Efficiency | <input type="checkbox"/> Clear Lake       | <input type="checkbox"/> Revenue Generation        |
|  |  |   | <input type="checkbox"/> Cost Savings              |

### If request for exemption from competitive bid in accordance with County Code Chapter 2 Sec. 2-38, fill in blanks below:

Which exemption is being requested?

How long has Agreement been in place?

When was purchase last rebid?

Reason for request to waive bid?

### Recommended Action:

Approve Agreement Between County of Lake and CliftonLarsonAllen, LLP for Audit Services for Fiscal Year Ending June 30, 2020 Amendment #1 and authorize the Chair to sign.