

**DATE:** January 29, 2024

**TO:** Council Finance Committee

**FROM:** Derek Rampone, Finance and Administrative Services Director

**SUBJECT:** **Approval of the Proposal Evaluation and Selection Criteria in the Request for Proposals for Audit Services**

---

### **PURPOSE**

The four-year contract term and two two-year extensions with Macias Gini & O'Connell, the City Council's external auditor, ended upon completion of the Fiscal Year 2022-23 audits. The external auditor selection process described in City Council Policy B-6 (Attachment 1) is beginning now so that a new contract can be executed timely. This memorandum reviews the selection process and provides a draft Request for Proposals for external audit services in accordance with the Policy.

### **BACKGROUND**

The City last issued a Request for Proposals (RFP) for audit services in September 2014. That process resulted in the selection of Macias Gini & O'Connell (MGO) as the independent certified public accountants to examine the City's books, records, inventories, and reports in accordance with Section 1106 of the City Charter.

On November 10, 2020, the City Council revised Council Policy B-6, Selection of the External, Independent Auditor. This Policy specifies the process for selecting the independent auditor, or audit firm, by the Council Finance Committee (CFC). The selection process includes the review of the RFP responses received and interviews of the most qualified firms by the CFC and staff. Following the interviews, the CFC will forward its recommendation of the firm to serve as the independent auditor to the City Council.

A copy of the draft RFP is attached as Attachment 2. This draft RFP incorporates criteria of selection and evaluation from prior City of Mountain View RFPs, audit RFP best practices, and from resources of the California Society of Municipal Finance Officers (CSMFO). Any recommendations by the CFC will be incorporated into the RFP prior to issuance.

A proposed timeline is included in Section III.D of the RFP. It is recommended for Council to award the contract to the selected audit firm in April 2024 in order to provide the selected firm sufficient advance notice for proper staffing and planning of the audit.

Section III.G of the RFP contains the Proposal Evaluation and Selection criteria. The draft language and scoring will be discussed with the CFC to receive feedback on any modifications needed.

**RECOMMENDATION**

Review, provide feedback, and approve the proposal evaluation and selection criteria in the RFP in order for staff to finalize and post the RFP timely after the CFC meeting.

~~DR/6/FIN~~  
~~546-01-29-24M~~

- Attachments:
1. Council Policy B-6
  2. Draft Request for Proposals