

**CITY OF EL PASO, TEXAS  
REQUEST FOR COUNCIL ACTION (RCA)**

**DEPARTMENT:** Financial and Administrative Services

**AGENDA DATE:** July 1, 2008

**CONTACT PERSON/PHONE:** William F. Studer, Deputy City Manager, Financial and Administrative Services, 541-4011 and Carmen Arrieta-Candelaria, Chief Financial Officer, 541-4293

**DISTRICT(S) AFFECTED:** All

**SUBJECT:**

Discussion and action on a resolution that the City Manager be authorized to sign a letter of understanding by and between the City of El Paso and BKD, LLP, for auditing services in conjunction with the City's audit for the fiscal year ended August 31, 2008, with an option to extend for four (4) additional one-year terms as approved by City Council..

**BACKGROUND / DISCUSSION:**

BKD, LLC ("BKD") was one of four respondents to the City's Request for Qualifications ("RFQ") for auditing services for the fiscal year ended August 31, 2008, with an option to extend for four (4) additional one-year terms to be approved by City Council. A committee comprised of Financial Services Department personnel as well as a representative from the Airport and Sun Metro ranked the firms prior to discussing price based on the RFQ process. BKD made a presentation to the committee on June 11, 2008. Based on this presentation as well as reference checks by the committee members, the committee recommended BKD to the Deputy City Manager for Financial and Administrative Services. This was approved for placement before the Council. BKD is ranked as the tenth largest accounting firm in the United States, both by Inside Public Accounting and CCH's Public Accounting Report.

**PRIOR COUNCIL ACTION:**

On June 11, 2002, City Council approved KPMG as the City's external auditor through the audit for fiscal year ended August 31, 2006. On May 8, 2007, City Council approved KPMG as the City's external auditor for the fiscal year ended August 31, 2007.

**AMOUNT AND SOURCE OF FUNDING:**

Various funding sources including general fund, airport, health, solid waste and Sun Metro. Anticipated costs for fiscal year ended 2008: \$335,420. Subsequent year's fees to be negotiated on an annual basis and brought forward with any recommendation to Council in subsequent years.

**BOARD / COMMISSION ACTION:**

N/A

\*\*\*\*\*REQUIRED AUTHORIZATION\*\*\*\*\*

**LEGAL:** (if required) \_\_\_\_\_ **FINANCE:** (if required) \_\_\_\_\_

**DEPARTMENT HEAD:** Carmen Orieta Candalaria

(Example: if RCA is initiated by Purchasing, client department should sign also)

*Information copy to appropriate Deputy City Manager*

**APPROVED FOR AGENDA:**

**CITY MANAGER:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

**RESOLUTION**

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL PASO:**

**THAT** the City Manager be authorized to sign an Agreement for Professional Auditing Services (“*Agreement*”) between the City and BKD, LLP, to provide auditing services in conjunction with the City’s audit for the fiscal year ended August 31, 2008, with an option to extend for four (4) additional one-year terms as approved by City Council.

**ADOPTED** this 1<sup>st</sup> day of July, 2008.

CITY OF EL PASO

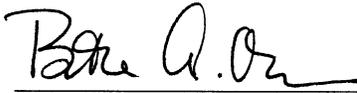
\_\_\_\_\_  
John Cook  
Mayor

ATTEST:

\_\_\_\_\_  
Richarda Duffy Momsen  
Municipal Clerk

APPROVED AS TO FORM:

APPROVED AS TO CONTENT:

  
\_\_\_\_\_  
Bertha A. Ontiveros  
Assistant City Attorney

  
\_\_\_\_\_  
Carmen Arrieta-Candelaria  
Chief Financial Officer  
Financial Services

**City of El Paso**  
**Request for Qualifications**  
**for Professional Auditing Services**  
**Solitation No. 2008-188R**  
**Compilation of All Scores**

Technical Quality:	Rater 1	Rater 2	Rater 3	Rater 4	Summary	Average	Rank
BKD	78	81	85	95	339	84.75	1
KPMG	73	98	95	70	336	84.00	2
Moss Adams	64	73	67	64	268	67.00	4
Strickler & Prieto	64	71	72	84	291	72.75	3

Compiler: Carmen Arrieta-Candelaria

Signature: Carmen Arrieta-Candelaria

Date: June 23, 2008