

**CITY OF EL PASO, TEXAS  
AGENDA ITEM  
DEPARTMENT HEAD'S SUMMARY FORM**

**DEPARTMENT:** Office of the Comptroller  
**AGENDA DATE:** September 10, 2013  
**CONTACT PERSON/PHONE:** Mark Sutter, Comptroller, Office of the Comptroller, (915)541-4014  
Bruce D. Collins, Director, Purchasing and Strategic Sourcing Department  
(915) 541-4308  
**DISTRICT(S) AFFECTED:** All

**SUBJECT:**

Discussion and action on a resolution that the City Manager be authorized to sign an agreement for Professional Auditing Services with BKD, LLP, for auditing services in conjunction with the City's audit for the fiscal year ended August 31, 2013; the agreement would be for five (5) years with an option to extend for one (1) additional one-year as noted in the terms and as approved by City Council. The award would include the assertion that a letter of engagement will be secured yearly as long as the agreement is current and is adhered to in accordance with the Government Auditing Standards issued by the Comptroller General of the United States, the State of Texas Uniform Grant Management Standards, issued by the Governor's Office of Budget and Planning, U.S. Office of Management and Budget (OMB) Circular A-133, Audits of States, Local Governments, and Nonprofit Organizations, and the Passenger Facility Charge Audit Guide for Public Agencies, issued by the Federal Aviation, Administrations (PFC Guide) and Federal Transit Administration and the City of El Paso's year-end report in accordance with attestation standards established by the American Institute of Certified Public Accountants.

That a five year contract and a one (1) year option to extend with BKD, LLP for auditing services in conjunction with the City's annual audit for fiscal years 2013 through 2017 for a total contract amount not exceed \$2,186,000.00 is hereby approved; and

That the City Manager or designee be authorized to sign an Agreement/Letter of Engagement for Professional Auditing Services ("Agreement") for the fiscal year ended August 31, 2013 and authorize the City Manager or designee to sign an Agreement for the subsequent four fiscal years subject to review by the City Attorney's Office, provided that there is no default and there are no material changes to the scope of work and compensation.

**BACKGROUND / DISCUSSION:**

BKD, LLP ("BKD") was one of seven respondents to the City's Request for Qualifications ("RFQ") for auditing services for the fiscal year ended August 31, 2013 and include additional fiscals years through August 31, 2017, for a total of five (5) fiscal years with an option to extend for one (1) additional year to be approved by City Council. A Committee comprised of representatives from the Office of the Comptroller and Environmental Services Department ranked the firms prior to discussing price based on the RFQ process. Based on the evaluations of the proposals and on the results of the reference checks made by Purchasing staff, the committee recommended BKD to the Chief Financial Officer. This was approved for placement before the Council. BKD is ranked as one of the ten largest accounting firms in the United States and was included on the "Best of the Best Firms" list for both 2011 and 2012 by INSIDE Public Accounting.

**PRIOR COUNCIL ACTION:**

In 2002, City Council approved KPMG as the City's external auditor with awards renewed for the years through 2007. In 2008, City Council approved BKD as the City's external auditor with awards renewed through 2013.

**AMOUNT AND SOURCE OF FUNDING:**

Various funding sources include General Fund, Airport, Environmental Services and Sun Metro. Estimated Costs for fiscal year 2013 through 2017 is \$1,796,000.00 and one year option for fiscal year 2018 is \$390,000.00 for a total estimated cost of \$2,186,000.00 .

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**BOARD / COMMISSION ACTION:**

N/A

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

**DEPARTMENT HEAD:**



COUNCIL PROJECT FORM  
(RESOLUTION)

\*\*\*\*\*POSTING LANGUAGE BELOW\*\*\*\*\*

Please place the following item on the REGULAR agenda under **RESOLUTIONS** for the Council Meeting of SEPTEMBER 10, 2013.

THAT a five year contract and a one (1) year option to extend with BKD, LLP for auditing services in conjunction with the City's annual audit for fiscal years 2013 through 2017 for an amount of \$340,000.00 for year one, \$349,000.00 for year two, \$359,000.00 for year three, \$369,000.00 for year four, \$379,000.00 for year five, \$390,000.00 for the option year and a total contract amount not to exceed total contract amount not to exceed \$2,186,000.00 is hereby approved; and

THAT the City Manager or designee be authorized to sign an Agreement/Letter of Engagement for Professional Auditing Services ("**Agreement**") for the fiscal year ended August 31, 2013 and authorize the City Manager or designee to sign an Agreement for the subsequent four fiscal years subject to review by the City Attorney's Office, provided that there is no default and there are no material changes to the scope of work and compensation.

Department: Office of the Comptroller  
Districts(s): ALL

\*\*\*\*\*ADDITIONAL INFO BELOW\*\*\*\*\*

RESOLUTION

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

THAT a five year contract and a one (1) year option to extend with BKD, LLP for auditing services in conjunction with the City's annual audit for fiscal years 2013 through 2017, for an amount of \$340,000.00 for year one, \$349,000.00 for year two, \$359,000.00 for year three, \$369,000.00 for year four, \$379,000.00 for year five, \$390,000.00 for the option year and a total contract amount not to exceed \$2,186,000.00 is hereby approved; and

THAT the City Manager or designee be authorized to sign an Agreement/Letter of Engagement for Professional Auditing Services ("*Agreement*") for the fiscal year ended August 31, 2013 and authorize the City Manager or designee to sign an Agreement for the subsequent four fiscal years subject to review by the City Attorney's Office, provided that there is no default and there are no material changes to the scope of work and compensation.

ADOPTED this 10<sup>th</sup> day of September, 2013.

CITY OF EL PASO

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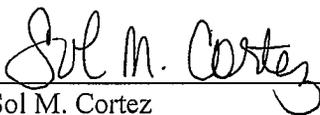
Oscar Leeser  
Mayor

ATTEST:

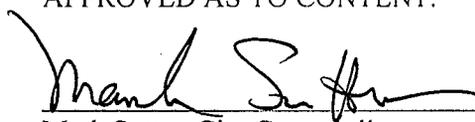
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Richarda Duffy Momsen  
Municipal Clerk

APPROVED AS TO FORM:

  
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Sol M. Cortez  
Assistant City Attorney

APPROVED AS TO CONTENT:

  
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Mark Sutter, City Comptroller  
Office of the Comptroller

# COMMITTEE SCORE SHEET

SOLICITATION NO: 2013-278R  
 SOLICITATION TITLE: Professional Auditing Services  
 DEPARTMENT: Financial Services

8/22/2013

	Belt Harris Pechacek, LLP Houston, TX	BKD, LLP Dallas, TX	Clifton Larson Allen, LLP Albuquerque, NM	Grant Thornton, LLP Dallas, TX	Moss Adams, LLP Albuquerque, NM	Weaver & Tidwell, LLP Dallas, TX	Whitley Penn, LLP Houston, TX
<b>General Overview of Firm and Services</b>							
# points 15	9.30	14.66	11.33	10.00	10.66	11.66	10.33
<b>Experience In Professional Auditing Services</b>							
# points 25	15.00	24.00	21.33	19.66	18.33	18.66	18.00
<b>Capacity and Capability of Firm's Resource</b>							
# points 25	15.00	22.66	19.33	16.33	17.00	18.33	16.33
<b>Number of Hours Dedicated to Engagement</b>							
# points 15	9.33	15.00	14.00	15.00	14.66	13.00	13.66
<b>Response of References</b>							
#points 20	20.00	16.00	18.00	20.00	16.00	20.00	7.00
<b>GRAND TOTAL = 100</b>	<b>68.63</b>	<b>92.32</b>	<b>83.99</b>	<b>80.99</b>	<b>76.65</b>	<b>81.65</b>	<b>65.32</b>



**CITY OF EL PASO  
REQUEST FOR QUALIFICATION TABULATION FORM**



**Bid Opening Date: AUGUST 14, 2013**  
**Project Name: PROFESSIONAL AUDITING SERVICES**

**Solicitation #: 2013-278R**  
**Department: FINANCIAL SERVICES**

BELT HARRIS PECHACEK LLP	HOUSTON, TX
BKD, LLP	DALLAS, TX
CLIFTON LARSON ALLEN LLP	ALBUQUERQUE, NM
GRANT THORNTON LLP	DALLAS, TX
MOSS ADAMS LLP	ALBUQUERQUE, NM
WEAVER & TIDWELL, LLP	DALLAS, TX
WHITLEY PENN, LLP	HOUSTON, TX
RFQs SOLICITED: 20	RFQs RECEIVED: 7
RFQs LOCAL: 8	NO RFQs: 0

**NOTE: The information contained in this RFQ tabulation is for information only and does not constitute actual award/execution of contract.**

APPROVED: Is/

DATE: 8/20/2013

BKD, LLP ATTN: DAVID M. COLEMAN, CPA 14241 DALLAS PARKWAY, SUITE 1100 DALLAS, TEXAS 75254-2961	DELOITTE – TOUCHE 2200 ROSS AVENUE SUITE 1600 DALLAS, TX 75201	PRICEWATERHOUSECOOPERS LLP ATTN: ERIC CRAFT 2001 ROSS AVENUE SUITE 1800 DALLAS, TX 75201-2997
ERNST & YOUNG ATTN: KAREN PAYNE ONE VICTORY PARK 2323 VICTORY AVENUE, SUITE 2000 DALLAS, TX 75219	STRICKLER AND PRIETO, LLP ATTN: PHILLIP STRICKLER 201 EAST MAIN, SUITE 500 EL PASO, TEXAS 79901	PATTILLO, BROWN & HILL, LLP ATTN: PAULA LOWE 401 WEST STATE HIGHWAY 6 WACO, TX 76710
GIBSON, RUDDICK, PATTERSON, LLC ATTN: CRAIG GIBSON 600 SUNLAND PARK DRIVE, SUITE 6-300 EL PASO, TEXAS 79912-5167	DELOITTE-TOUCHE 400 WEST 15 <sup>TH</sup> STREET SUITE 1700 AUSTIN, TX 78701-1648	SCHMID, BROADDUS, NUGENT, GANO PC ATTN: JOANNE NUGENT 221 NORTH KANSAS, SUITE 1300, EL PASO, TEXAS 79901
MARCUS, FAIRALL, BRISTOL, & CO. LLP ATTN: DAVID MARCUS 6090 SURETY DRIVE SUITE 100 EL PASO, TX 79905	WHITE + SAMANIEGO + CAMPBELL, LLP 416 NORTH STANTON, SUITE 600 EL PASO, TEXAS 79901	LAUTERBACH BROSCOW & CO. PC ATTN: GREG HARTLEY 4130 RIO BRAVO SUITE B EL PASO, TX 79902
BIXLER & CO LLP ATTN: LINDA O'DONNELL 1280 HAWKINS BOULEVARD, SUITE 200 EL PASO, TX 79925	PENA, BRIONES, MCDANIEL & CO ATTN: TERI REINERT 4171 N MESA SUITE B-100 EL PASO TX 79902	MOSS ADAMS LLP ATTN: KIM NUNLEY 6100 UPTOWN BLVD. NE SUITE 400 ALBUQUERQUE, NM 87110
CROWE HORWATH ATTN: VICKY LUDEMA 400 LOS COLINAS BOULEVARD EAST, SUITE 200 IRVING, TX 75039-6292	GRANT THORNTON LLP ATTN: JASON RAMEY 175 WEST JACKSON BOULEVARD, 20 <sup>TH</sup> FLOOR CHICAGO, ILLINOIS 60604	CLIFTONLARSONALLEN ATTN: TROY LANGSDALE 5001 SPRING VALLEY ROAD, SUITE 600W DALLAS, TEXAS 75244
KPMG ATTN: DON TSCHIRHART 300 CONVENT STREET, SUITE 1200 SAN ANTONIO, TEXAS 78205	REDW ATTN: DARCY BURNSIDE 7425 JEFFERSON STREET NE ALBUQUERQUE, NEW MEXICO 87109	