



City of Rochester Hills
AGENDA SUMMARY
FINANCIAL ITEMS

1000 Rochester Hills Dr.
Rochester Hills, MI 48309
248.656.4630
www.rochesterhills.org

Legislative File No: 2016-0283

TO: Mayor and City Council Members
FROM: Joe Snyder, Interim Finance Director / x2534
DATE: August 8, 2016
SUBJECT: Audit Services for Fiscal Years 2016 and 2017

REQUEST:

City Council is requested to authorize a blanket purchase order/contract for professional financial auditing services for the City's fiscal years ending December 31, 2016 and 2017 to Plante & Moran, PLLC, Southfield, Michigan in the amount not-to-exceed \$140,900, and further authorizes the Mayor to execute a contract on behalf of the City.

REASON FOR PURCHASE

In 2013, Request for Proposals were solicited for financial auditing services for fiscal years ending 2013, 2014, 2015 with the option to renew for fiscal years ending 2016 and 2017. Award was recommended to Plante and Moran, PLLC and was approved by City Council at their June 10, 2013 meeting. The responses to the RFP, including cost proposals were reviewed independently by an Evaluation Committee consisting of the Finance Director, City Accountant, Senior Financial Analyst, and Supervisor of Procurement.

Based upon multiple factors used in the scoring process, the Evaluation Committee recommended the firm of Plante & Moran, PLLC as the most qualified firm providing the best value to the City. Those factors included 1) value added services, 2) similar services performed for comparable Michigan municipalities, 3) municipal expertise including audit, professional association involvement, and GASB pronouncement guidance and implementation, 4) use of technology in the audit process, 5) staffing including turnover, proposed audit (staffing) hours, etc. and 6) proposed cost.

Plante & Moran, PLLC has successfully performed audit services for the City for the past seventeen (17) years and has performed exceptionally well during each of those years. They have knowledge and experience with the City's financial system, and include the various following services: presentation to City Council of the Comprehensive Annual Financial Report (CAFR), management letter outlining recommendations, Federal Awards audit report for all grants received by the City (no capped number per year), periodic current event newsletters, assistance with GASB pronouncements, access to webinars on relative subject matter, and responses to routine questions and communications as needed by the City.

In addition, with a returning firm, there would be no additional Accounting Division staff time needed to acquaint a new firm to City accounting processes and policies, internal controls and financial systems prior to the Fiscal year end 2016 Audit.

PROCESS:

Vendor Name and Address:

Plante & Moran, PLLC
27400 Northwestern Highway
Southfield, MI 48037-0307

Reason for Selection:

Most Qualified/Best Value Proposer

Method of Purchase:

Contract/Blanket Purchase Order

BUDGET:

Funding is included in the FY 2017 Proposed Budget and 2018 Projected Budget.

Fund Name	Department Account No	Account No. Description	Budget Amount	Cost	Remaining Budget
General Fund	201.804000	Audit Fees	\$140,900	\$140,900	\$0

RECOMMENDATION:

It is recommended that City Council authorize a blanket purchase order/contract for professional financial auditing services for the fiscal years ending December 31, 2016 and 2017 to Plante & Moran, PLLC, Southfield, Michigan in the amount not-to-exceed \$140,900 and further authorizes the Mayor to execute a contract on behalf of the City.

APPROVALS:	SIGNATURE	DATE
Department Review		
Department Director		
Budget Content: Finance Director		
Purchasing Process: Supervisor of Procurement		
Mayor		
Deputy Clerk		