

February 26, 2009

TO: Finance and Personnel Committee

FM: Herbert L. Pike, Finance Director

RE: **Authorization of a Contract with Maze & Associates to Examine the Financial Statements for ABAG and its Affiliated Entities**

On January 12, 2009, a Request for Proposal was issued for the "Selection of Financial Auditor for the Association of Bay Area Governments and Affiliated Entities." Products from the Contract would be Opinion Audits of ABAG (including the Finance Corp. and BALANCE Foundation), ABAG Pooled Liability Assurance Network Corporation (PLAN), ABAG Comp Shared Risk Pool (SHARP), ABAG Finance Authority for Nonprofit Corporations (FAN), and ABAG Publicly-Owned Energy Resources (POWER) and a Single Audit of ABAG Programs funded by Federal agencies. The term of the contract would be for three years commencing with fiscal year ending June 30, 2009, with an option to renew for two additional years.

At a mandatory Bidder's Conference on February 3, 2009, six audit firms were in attendance. On February 20, 2009, proposals were received from five of the six audit firms. All five proposals met the specified qualifications; however, three that stood out with the breadth and depth of their experience and abilities were:

	<u>3-year Fixed Price</u>
• Macias Gini & O'Connell LLP	\$228,000
• Mayer Hoffman McCann P.C.	\$259,340
• Maze & Associates	\$202,545

Of the top three, staff recommends contracting with Maze & Associates. They demonstrated the most familiarity and consistent expertise across all of the unique areas of the Agency's affiliated entities, and offered the lowest. They also offer, at no additional cost, year-round support and telephone consultation on pertinent issues. This would be the second engagement for Maze & Associates with ABAG, the first being for the previous contract that covered the last six years.

**Staff Recommendation**

Recommend the Executive Board Authorize a contract with Maze & Associates for Financial Auditor services for three years commencing with fiscal year ending June 30, 2009, with an option to renew for two additional years.