

RFP 15MISC5
PROFESSIONAL AUDITING SERVICES FOR FREDERICK COUNTY GOVERNMENT, FREDERICK COUNTY
PUBLIC SCHOOLS AND FREDERICK COMMUNITY COLLEGE

FACT SHEET

- A. **Overview:** This recommendation is to establish a contract for professional auditing services for Frederick County Public Schools (FCPS). The solicitation included Frederick County Government (FCG) and Frederick Community College (FCC).

1. **RFP Participation:**

76 companies notified
4 companies submitted proposals
1 company submitted a "no proposal" response

2. **Proposals were received from:**

Abrams, Foster, Nole & Williams, P.A. (Baltimore, MD)
CohnReznick, LLP (Baltimore, MD)
SB & Company, LLC (Hunt Valley, MD)
Smith Elliott Kearns (SEK) & Company, LLC (Hagerstown, MD)

3. **Other facts:**

- FCG, FCPS and FCC jointly requested proposals from qualified firms of certified public accountants to audit their financial statements for the fiscal years ending June 30, 2015 and June 30, 2016, with the option of auditing their financial statements for each of the four subsequent fiscal years.
- Proposals were evaluated by a nine member Audit Selection Committee composed of three representatives each from FCG, FCPS, and FCC.
- SEK & Co. was considered non-responsive; the firm did not provide the number of estimated hours needed to perform the audit services, a mandatory element set forth in the RFP. Only percentages were provided.
- CohenReznick was considered non-responsive; the firm did not provide a copy of their external quality control peer review report, which was a mandatory element set forth in the RFP.
- Proposals were evaluated and scored for mandatory, technical and price components.
- FCPS spent \$52,732 last year on auditing services. This recommendation represents a first year savings of \$2,732.
- FCG governing board plans to approve their recommendation on April 21, 2015. FCC governing board approved their recommendation on April 15, 2015.

4. **Source of Funding:** Contingent upon FY16 and FY17 Operating Budget Board approvals.

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- B. **Recommendation:** Staff recommends award of the contract for RFP 15MISC5, Professional Auditing Services for Frederick County Public Schools to SB& Company of Hunt Valley, Maryland, at a cost of \$102,000 for auditing FY 2015 and FY 2016 financial statements.
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C. **Action taken by the Board** (Purchasing use only):

SS/mg
4.22.15 Approved
Date

_____ Denied
_____ Date

_____ Deferred
_____ Date

_____ Other
_____ Date

SS/mg
04.22.15 BOE Mtg

RFP 15MISC5 Professional Auditing Services - Scoring Summary

Maximum Score - 150 points

Audit Consultants	Frederick County Government			Frederick County Community			Frederick County Public Schools			TOTAL TECH	TOTAL COST	TOTAL MAX
	Technical	Cost	Total Points	Technical	Cost	Total Points	Technical	Cost	Total Points	SCORE	SCORE	SCORE
Smith Elliott Kearns & Co	Non-responsive			Non-responsive			Non-responsive					
CohnReznick	Non-responsive			Non-responsive			Non-responsive					
SB & Co.	94	50	144	95	40	135	96	50	146	285	140	425
Abrams Foster Nole & Williams	63	40	103	85	45	130	82	40	122	230	125	355

Mandatory, Technical & Price Criteria:

1. Mandatory Elements

- a. The audit firm is independent and licensed to practice in Maryland.
- b. The firm has no conflict of interest with regard to any other work performed by the firm for all three jurisdictions. (Firms that have a conflict of interest with regard to one or more of the jurisdictions will not be evaluated with regard to those jurisdictions.)
- c. The firm adheres to the instructions in this request for proposal on preparing and submitting the proposals.
- d. The firm submits a copy of its last external quality control peer review report. We explicitly reserve the right to make whatever investigations we deem necessary to satisfy ourselves as to the quality of each firms audit work.

2. Technical Quality: (Maximum Points- 100)

- a. Expertise and Experience
 1. The firm's past experience and performance on comparable K12, higher education and government engagements.
 2. The quality of the firm's professional personnel to be assigned to the engagement and the quality of the firm's management support personnel to be available for technical consultation.
- b. Audit Approach
 1. Adequacy of proposed staffing plan for various segments of the engagement.
 2. Adequacy of approach to understanding the internal control structure.
 3. Adequacy of sampling techniques.
 4. Adequacy of analytical procedures.
 5. Adequacy of information technology expertise and approach to testing systems for internal control purposes.

3. Price: (Maximum Points - 50)

RFP 15MISC5 Professional Auditing Services - Bid Tab Summary

Audit Consultants																					
	Frederick County Government							Frederick County Community College							Frederick County Public Schools						
	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	Total	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	Total	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	Total
Smith Elliott Kearns & Co	Non-responsive							Non-responsive							Non-responsive						
CohnReznick	Non-responsive							Non-responsive							Non-responsive						
SB & Co.	\$ 70,500	\$ 72,500	\$ 74,500	\$ 76,500	\$ 78,500	\$ 80,500	\$ 453,000	\$ 41,000	\$ 42,000	\$ 43,000	\$ 44,000	\$ 45,000	\$ 46,000	\$ 261,000	\$ 50,000	\$ 52,000	\$ 54,000	\$ 56,000	\$ 58,000	\$ 60,000	\$ 330,000
Abrams Foster Nole & Williams (ind)	\$ 76,000	\$ 78,280	\$ 80,628	\$ 83,047	\$ 85,539	\$ 88,105	\$ 491,599	\$ 38,000	\$ 39,140	\$ 40,314	\$ 41,524	\$ 42,769	\$ 44,052	\$ 245,799	\$ 53,000	\$ 54,590	\$ 56,228	\$ 57,915	\$ 59,652	\$ 61,442	\$ 342,827
(group)	\$ 74,000	\$ 76,220	\$ 78,507	\$ 80,862	\$ 83,288	\$ 85,786	\$ 478,663	\$ 36,030	\$ 37,111	\$ 38,224	\$ 39,371	\$ 40,552	\$ 41,769	\$ 233,057	\$ 51,270	\$ 52,808	\$ 54,392	\$ 56,024	\$ 57,705	\$ 59,436	\$ 331,635