



Legislation Details (With Text)

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Title:	Authorize a five-year professional services contract for audit of the City's financial operations and grant activities for fiscal year ending September 30, 2020 through September 30, 2024 - Weaver and Tidwell, LLP, most advantageous proposer of six - Not to exceed \$4,231,500 - Financing: General Fund (\$3,748,000), Sanitation Operation Fund (\$7,500), Capital Projects Funds (\$12,500), Dallas Water Utilities Fund (\$12,500), Aviation Fund (\$55,000), Dallas Convention Center Hotel Development Corporation (\$107,000), Downtown Connection TIF (\$55,000), and Dallas Employee Retirement Fund (\$234,000) (subject to annual appropriations)				
Sponsors:					
Indexes:	300				
Code sections:					
Attachments:	1. Resolution				

Date	Ver.	Action By	Action	Result
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STRATEGIC PRIORITY: Government Performance and Financial Management

AGENDA DATE: September 23, 2020

COUNCIL DISTRICT(S): N/A

DEPARTMENT: Office of Procurement Services

EXECUTIVE: Elizabeth Reich

SUBJECT

Authorize a five-year professional services contract for audit of the City's financial operations and grant activities for fiscal year ending September 30, 2020 through September 30, 2024 - Weaver and Tidwell, LLP, most advantageous proposer of six - Not to exceed \$4,231,500 - Financing: General Fund (\$3,748,000), Sanitation Operation Fund (\$7,500), Capital Projects Funds (\$12,500), Dallas Water Utilities Fund (\$12,500), Aviation Fund (\$55,000), Dallas Convention Center Hotel Development Corporation (\$107,000), Downtown Connection TIF (\$55,000), and Dallas Employee Retirement Fund (\$234,000) (subject to annual appropriations)

BACKGROUND

This professional services contract will provide auditing services for the City's financial operations and grant activities for fiscal year ending September 30, 2020 through September 30, 2024. The City Charter (Chapter III, Section 19) requires an annual independent audit of the City's books of account, records, and transactions by one or more certified public accountants. The Single Audit Act of 1996,

as amended, also requires an audit of grantees who have received federal grants exceeding certain thresholds. The City Charter requires the City Council to select the external auditor, which it does through its standing finance committee, the Government Performance and Financial Management Committee (GPFM).

The City issued a Request for Competitive Sealed Proposals for audit services. Six firms submitted proposals and presented before GPFM on August 24, 2020.

GPFM committee members graded the proposals on experience and approach. The Office of Procurement Services graded cost and timeframe and the Office of Business Diversity graded the Business Inclusion and Development Plan. The full list of factors is below.

- Prior governmental audit experience 35 points
- Cost and timeframe 30 points
- Audit approach 20 points
- Business Inclusion and Development Plan 15 points

The City also requested pricing for the audit of various component units as part of this solicitation. The cost of the services for those component units, as well as the cost to each of the City's enterprise and other funds, are broken down below, and will be paid for by the component units.

As part of the solicitation process and in an effort to increase competition, the Office of Procurement Services used its procurement system to send out email notifications to vendors registered under relevant commodity codes. To further increase competition, the Office of Procurement Services uses historical solicitation information, the Internet, and vendor contact information obtained from user departments to contact additional vendors. Additionally, in an effort to secure more competition, the Office of Business Diversity sent notifications to chambers of commerce and advocacy groups to ensure maximum vendor outreach.

On November 10, 2015, the City Council authorized a living wage policy that requires contractors to pay their employees a "living wage" rate as established annually by the Massachusetts Institute of Technology Living Wage Calculator for Dallas County by Resolution No. 15-2141. The current calculated living wage during the solicitation process of this contract is \$11.71; the selected vendor meets this requirement.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

The Government Performance and Financial Management Committee was briefed by memorandum on the Request for Competitive Sealed Proposal (RFCSP) for the external audit services for FY 2020 - 2024, on May 22, 2020.

On August 24, 2020, presentations were made to the Government Performance and Financial Management Committee by the six firms who submitted proposals for the RFCSP for External Audit Services received on July 9, 2020.

The Government Performance and Financial Management Committee will be briefed by memorandum regarding this matter on September 18, 2020.

FISCAL INFORMATION

Fund	FY 2020	FY 2021	Future Years
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General Fund	\$738,500.00	\$745,000.00	\$2,264,500.00
Sanitation Operation Fund	\$ 1,500.00	\$ 1,500.00	\$ 4,500.00
Capital Projects Funds	\$ 2,500.00	\$ 2,500.00	\$ 7,500.00
Dallas Water Utilities Fund	\$ 2,500.00	\$ 2,500.00	\$ 7,500.00
Aviation Fund	\$ 11,000.00	\$ 11,000.00	\$ 33,000.00
Dallas Convention Center Hotel Development Corporation	\$ 20,500.00	\$ 21,000.00	\$ 65,500.00
Downtown Connection TIF	\$ 11,000.00	\$ 11,000.00	\$ 33,000.00
Dallas Employee Retirement Fund	\$ 46,000.00	\$ 46,300.00	\$ 141,700.00
Total	\$833,500.00	\$840,800.00	\$2,557,200.00

M/WBE INFORMATION

In accordance with the City's Business Inclusion and Development Plan adopted on October 22, 2008, by Resolution No. 08-2826, as amended, the M/WBE participation on this contract is as follows:

Contract Amount	Category	M/WBE Goal	M/WBE %	M/WBE \$
\$4,231,500.00	Other Services	23.80%	23.8%	\$1,007,097.00
• This contract exceeds the M/WBE goal.				
• Weaver and Tidwell, LLP - Local; Workforce - 40.57% Local				

PROCUREMENT INFORMATION

Method of Evaluation for Award Type:

Request for Competitive Sealed Proposal	<ul style="list-style-type: none"> • Utilized for high technology procurements, insurance procurements, and other goods and services • Recommended offeror whose proposal is most advantageous to the City, considering the relative importance of price, and other evaluation factors stated in the specifications • Always involves a team evaluation • Allows for negotiation on contract terms, including price
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The Office of Procurement Services received the following proposals from solicitation number BKZ20-00013099. We opened them on July 10, 2020. This professional services contract is being awarded in its entirety to the most advantageous proposer.

*Denotes successful proposer

<u>Proposers</u>	<u>Address</u>	<u>Score</u>	<u>Amount</u>
*Weaver and	2300 North Field St.	91.17	\$4,231,500.00

Tidwell, LLP	Suite 1000 Dallas, TX 75201		
BKD, LLP	14241 Dallas Pkwy. Suite 1100 Dallas, TX 75254	83.58	\$4,602,150.00
RSM US LLP	13155 Noel Rd. Suite 2200 Dallas, TX 75240	82.79	\$4,922,980.00
Crowe, LLP	750 North St. Paul St. Suite 850 Dallas, TX 75201	81.13	\$5,118,900.00
McConnell & Jones, LLP	14200 Midway Rd. Suite 110 Dallas, TX 75244	80.10	\$4,959,450.00
Clifton Larson Allen, LLP	5001 Spring Valley Rd. Suite 600W Dallas, TX 75244	79.94	\$4,712,980.00

OWNER**Weaver and Tidwell, LLP**

John Mackel, Chief Executive Officer
David Rook, Chief Operation Officer