



Legislation Text

File #: 17-0297, **Version:** 1

Resolution to Approve a Contract with Yeo & Yeo, P.C. for Independent Auditing Services (\$310,000.00/5 years)

This resolution requests approval of a five-year contract, with two optional one-year extensions, for independent auditing services with Yeo & Yeo, P.C.

Budget/Fiscal Impact: Necessary funds for the first year of the audit are budgeted in the approved FY17 General Fund Finance budget and will be annually budgeted for all remaining years of the contract term.

On February 1, 2017, the City received bids for audit services in response to Request for Proposal #994. Three firms were chosen to interview with City staff. The three bidding firms & contract totals were:

Yeo & Yeo	\$310,000.00
Andrews, Hooper, Pavlik, PLLC	\$352,011.00
Abraham & Gaffney, P.C	\$480,500.00

City staff evaluated the written proposals based upon each firm's expertise & experience, audit approach, and fees. Total fees made up 30% of each firm's total rating.

Based upon the evaluations of each firm's expertise, audit approach, and fees, the panel recommends Yeo and Yeo, P.C. for appointment by the Mayor and City Council as the City of Ann Arbor's independent auditor for a five (5) year commitment with an option to renew for two additional (1) year extensions, commencing with the audit of the fiscal year ending on June 30, 2017. Yeo and Yeo, P.C. complies with the requirements of the City's Conflict of Interest disclosure and Non-Discrimination and Living Wage ordinances.

Prepared by: Karen Lancaster, Finance Director

Reviewed by: Tom Crawford, Financial Services Area Administrator and CFO

Approved by: Howard S. Lazarus, City Administrator

Whereas, The Mayor and City Council are required by the City Charter Section 8.15 to employ certified public accountants to conduct an independent audit of the City's accounts;

Whereas, On February 1, 2017 the City received bids for audit services in response to Request for Proposal #994;

Whereas, The proposals have been evaluated by members of the City staff;

Whereas, City staff after appropriate consideration of expertise & experience, audit approach, and fees recommends Yeo & Yeo, P.C., 1450 Eisenhower Place, Ann Arbor, MI to be appointed for a five (5) year commitment with an option to renew for up to two one (1)-year extensions, and

Whereas, Yeo & Yeo complies with the requirements of the City's Conflict of Interest disclosure and Non-Discrimination and Living Wage Ordinances;

RESOLVED, City Council approve a contract for annual auditing services for a five (5) year commitment with an option to renew for two (1) year extensions with Yeo & Yeo, P.C. for the annual fees as shown below:

Year Ending June 30	Audit Cost
2017	\$58,000.00
2018	\$60,000.00
2019	\$62,000.00
2020	\$64,000.00
2021	\$66,000.00

RESOLVED, That Mayor and City Clerk be authorized and directed to execute the contract with Yeo & Yeo after approval as to substance by the City Administrator and approval as to form by the City Attorney; and

RESOLVED, That the City Administrator be authorized to take all necessary administrative actions, including the exercise of any extension provided for under the contract, to implement this Resolution.