

EXECUTIVE SUMMARY

Recommendation for First Amendment and Additional Spending Authority 18-015V – External Financial Independent Auditing Services

Introduction

Responsible: Procurement & Warehousing Services (PWS)

This request is to approve the First Amendment to Agreement and Additional Spending Authority with Moore Stephens Lovelace, P.A. The original contract term for Request for Proposal (RFP) 18-015V is from June 1, 2017 through November 30, 2019 and provides an option to renew the contract for two (2) additional one (1) year periods. This request is to exercise the first of two (2) renewal options from December 1, 2019 through November 30, 2020. This RFP provides professional and independent auditing services as required by Section 218.39, Florida Statutes and as required and directed by The School Board of Broward County, Florida (SBBC). The additional spending authority being requested is \$250,000.

Goods/Services Description

Responsible: Office of the Chief Auditor

The scope of the audit includes the District's financial statements and the accompanying footnotes in the District's Comprehensive Annual Financial Report as well as the Report on Internal Control over Financial Reporting, and the Single Audit.

The scope of the audit will exclude financial audits of the School Internal Accounts (School and Activity Funds) and the financial activities of component units. Component units include all Charter Schools approved by SBBC and operating within a fiscal year and the foundation for Broward County Public Schools.

Procurement Method

Responsible: PWS

The procurement method chosen is through a competitive solicitation, which is required by Purchasing Policy 3320, Part II, Rule D, and Florida Administrative Code 6A-1.012(7).

This solicitation was released to the public from February 9, 2017 through March 9, 2017. Four hundred and seventy-six (476) vendors were notified through Onvia Demandstar, and twenty-two (22) vendors downloaded the RFP documentation. Procurement & Warehousing Services notified the following vendors in addition to Demandstar's notification:

| | | | |
|-----------------|------------|-----------|-------------------------|
| Cherry, Bekaert | Marcum LLP | McGladrey | Moore Stephens Lovelace |
|-----------------|------------|-----------|-------------------------|

The RFP opened on March 9, 2017, at 2:00 PM and SBBC received two (2) proposals. Proposals were received from Cherry Bekaert and Moore Stephens Lovelace.

The Evaluation Committee consisting of Patrick Reilly, Chief Auditor, Henry Mack, Vice-Chair of the Audit Committee and Dan Traeger, Audit Committee Member evaluated and scored the proposals on March 16, 2017, and recommended for the award Moore Stephens Lovelace, P.A. This contract was approved at the May 16, 2017, School Board Meeting.

The Audit Committee approved this renewal for transmittal to the School Board during the Committee's March 14, 2019 meeting.

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Financial Impact

Responsible: PWS and Office of the Chief Auditor

The estimated financial impact to the District will be \$250,000. The currently proposed renewal is for fiscal year 2020, and the requested spend authority increase corresponds to the unchanged renewal yearly cost of \$250,000. The current unused spend authority is necessary to cover obligations the District has not been billed yet for the cost of the fiscal year 2019 audit, which is currently in fieldwork.

Funding for this RFP will come from the Office of the Chief Auditor's operating budget. The amount requested was determined based on the department's requirements to satisfy the needs of the District. The financial impact amount represents an estimated contract value; however, the amount authorized will not exceed the estimated contract award amount.