

EXECUTIVE SUMMARY

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

Introduction

Responsible: Procurement & Warehousing Services (PWS)

This request is to approve the Second 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. The First Amendment to Agreement for this contract was to exercise the first of two (2) renewal options. The term of the first renewal period is from December 1, 2019 through November 30, 2020 and was approved on September 4, 2019, Agenda Item EE-7. This request is to exercise the second of two (2) renewal options from December 1, 2020 through November 30, 2021. 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).

There is an estimated financial impact to the District of \$160,000. The new total spending authority will be \$1,210,000.

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.

Recommendation for Second Amendment and Additional Spending Authority
18-015V – External Financial Independent Auditing Services
August 19, 2020 Board Agenda
Page 2

The Audit Committee approved the first renewal for transmittal to the School Board during the Committee’s March 14, 2019 meeting. The School Board then approved the first renewal at its meeting on September 4, 2019.

The Audit Committee approved the second renewal for transmittal to the School Board during the Committee’s March 12, 2020 meeting.

Financial Impact
Responsible: PWS and Office of the Chief Auditor

The estimated financial impact to the District will be \$160,000. The currently proposed renewal is for the fiscal year 2021, and the requested spend authority increase corresponds to the unchanged yearly renewal cost of \$250,000. The contract award amount was \$1,050,000. This request is to increase the spending authority by \$160,000 bringing the new contract value to \$1,210,000.

The additional spending authority being requested is \$160,000. The current remaining spend authority of \$340,000 will be utilized by the previously-approved and unbilled \$250,000 cost of the fiscal 2020 audit. The remaining \$90,000 spend authority plus the requested \$160,000 spend authority request will allow the District to meet the financial terms of the agreement.

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.

Financial Impact Table:

Action	Date	Term (years)	Amount
Original spending authority request	5/16/2017	3	\$ 800,000
First renewal and additional spending authority	9/4/2019	1	\$ 250,000
Second renewal and additional spending authority	8/19/2020	1	\$ 160,000
Total Contract Amount		5	\$ 1,210,000