

ADMINISTRATION RECOMMENDATION/REPORT

The administration recommends that the Board of Trustees approve a contract with Whitley Penn, LLP for financial audit services.

BACKGROUND

As required by state and federal laws and college policy, the financial records of the College and Foundation are independently audited on an annual basis. The independent auditors examine the financial statements prepared by the College and Foundation personnel and prepare an opinion on the fair presentation of the financial statements and whether they were prepared in accordance with generally accepted accounting principles.

Request for qualifications #20-23 was issued to procure financial audit services for the College Comprehensive Annual Financial Report (CAFR), subrecipient monitoring related to federal grants, and the San Jacinto Community College District Foundation annual audit. Six responses were received and evaluated by a team of representatives from the business office, budget control, and office of grants management departments who determined the proposal submitted by Whitley Penn, LLP will provide the best value to the College.

IMPACT OF THIS ACTION

The firm will be engaged to perform the Comprehensive Annual Financial Audit for the College, subrecipient monitoring of federal grants, and the Foundation audit, in accordance with standards prescribed in the Statements on Auditing Standards promulgated by the American Institute of Certified Public Accountants. In addition, the College audit will meet the requirements established by the Texas Higher Education Coordinating Board – Annual Financial Reporting Requirements, in accordance with auditing standards generally accepted in the United States of America, standards applicable to financial audits contained in Government Auditing Standards issued by Comptroller General of the United States, federal awards as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for federal awards, and state awards as required by the State of Texas Single Audit Circular.

BUDGET INFORMATION (INCLUDING ANY STAFFING IMPLICATIONS)

The fee for the three audits to be conducted during fiscal year 2019-2020 is \$144,000 with a nominal percentage increase annually thereafter. The expenditures will be funded from the business office and Foundation department's 2019-2020 operating budget and subsequent year budgets.

MONITORING AND REPORTING TIMELINE

The initial two-year award term will commence on May 12, 2020, with renewal options of three one-year terms.

Purchase Request #5
Regular Board Meeting May 11, 2020
Consideration of Approval to Contract for Financial Audit Services

ATTACHMENTS

Attachment 1 - Tabulation

RESOURCE PERSONNEL

Teri Zamora	281-998-6306	teri.zamora@sjcd.edu
Bill Dickerson	281-998-6347	bill.dickerson@sjcd.edu
Genie Freeman-Scholes	281-998-6349	genevieve.scholes@sjcd.edu

ATTACHMENT NO. 1

RFQ 20-23 Financial Audit Services
Evaluation Summary

Stated Criteria	Maximum Value	College Annual Audit Services						Grants Subrecipient Monitoring Services						Foundation Annual Audit Services					
		BKD, LLP	Clifton Larson Allen, LLP (CLA)	Doeren Mayhew	McConnell & Jones, LLP	Weaver and Tidwell, LLP	Whitley Penn, LLP	BKD, LLP	Clifton Larson Allen, LLP (CLA)	Doeren Mayhew	McConnell & Jones, LLP	Weaver and Tidwell, LLP	Whitley Penn, LLP	BKD, LLP	Clifton Larson Allen, LLP (CLA)	Doeren Mayhew	McConnell & Jones, LLP	Weaver and Tidwell, LLP	Whitley Penn, LLP
Project Understanding, Approach, and Management	120	108	110	105	106	102	112	105	109	99	101	105	116	107	110	105	107	107	116
Qualifications and experience of personnel	100	85	81	88	92	88	96	82	78	84	88	88	98	85	80	93	90	88	97
Qualifications and experience of firm	80	63	62	75	65	68	74	63	61	72	63	67	75	65	61	75	73	70	74
Business Questionnaire	60	53	51	51	45	50	56	53	51	49	45	50	56	52	51	51	44	51	56
Total (90* Points x 4 Evaluators)	360	309	304	319	308	308	338	303	299	304	297	310	345	309	302	324	314	316	343

*10 points per evaluator were reserved for a presentation phase. It was determined presentations would not be required.

Final Ranking: College Annual Audit Services		
Rank	Vendor Name	Score
1	Whitley Penn, LLP	338
2	Doeren Mayhew	319
3	BKD, LLP	309
4 Tie	McConnell & Jones, LLP	308
4 Tie	Weaver and Tidwell, LLP	308
6	Clifton Larson Allen, LLP (CLA)	304

Final Ranking: Grants Subrecipient Monitoring Services		
Rank	Vendor Name	Score
1	Whitley Penn, LLP	345
2	Weaver and Tidwell, LLP	310
3	Doeren Mayhew	304
4	BKD, LLP	303
5	Clifton Larson Allen, LLP (CLA)	299
6	McConnell & Jones, LLP	297

Final Ranking: Foundation Annual Audit Services		
Rank	Vendor Name	Score
1	Whitley Penn, LLP	343
2	Doeren Mayhew	324
3	Weaver and Tidwell, LLP	316
4	McConnell & Jones, LLP	314
5	BKD, LLP	309
6	Clifton Larson Allen, LLP (CLA)	302