MEMORANDUM

Date: June 4, 2010

To: Mayor and Town Commissioners

From: Steve Hockman, Commissioner; Daniela Russell, Finance Administrator -Seacoast Utility Authority, Matthew Pazanski, Finance Director-Town of Juno Beach

RE: Auditor Selection Committee-Recommendation

Background

As you know, the Town Commission appointed Commissioner Hockman and 2 local Finance Directors to review the submittals of potential auditing firms for the Town's annual external financial audit.

Until the recent contract expiration, the Town has used the firm of Nowlen, Holt & Miner, P.A. for its auditing services for the fiscal years ending September 30, 2007, 2008 and 2009.

The Town publicly advertised request for proposals on April 18, 2010 and received five responses as of the May 10, 2010 deadline.

Discussion

The Auditor Selection Committee met on June 2 and reviewed the five submittals from:

- Hinkle, Richter & Rhine, LLP
- Nowlen, Holt & Miner, P.A.
- Alberni Caballero & Company, L.L.P.
- Keefe, McCullough & Co., LLP
- Grau & Associates

Based on the proposals submitted and evaluation criteria set forth in the request for proposals documentation, the committee makes the following recommendation.

Recommendation

The Auditor Selection Committee unanimously recommends the Town utilize the services of Nowlen, Holt & Miner, P.A.. Contract terms and conditions should be negotiated as outlined in the request for proposals.

Auditor Selection Committee
Evaluation/Ranking Summary

Committee Member:_____ SUMMARY

	Points	Proposer #1	Proposer #2	Proposer #3	Proposer #4	Proposer #5
Name of Proposer:		Hinkle/Harris	Nowlen Holt	A. Caballero	Keefe, McCull.	Grau & Assoc.
Criteria:						
Proposer's Qualifications and Experience: 35%						
Licensed to practice in the State of Florida (yes or no)	0-5	15	15	15	15	15
Minimum 3 years municipal government audit experience	0-10	18	29	28	29	28
References provided	0-5	12	12	12	12	12
Qualifications of individuals assigned to audit	0-10	16	28	28	28	28
Past experience with Single Audits and test of compliance	0-10	30	30	30	30	30
Subtotal		91	114	113	114	113
Weighted score (points x 35%) Max. 14.00 pts.		31.85	39.9	39.55	39.9	39.55
Proposer's Ability and Capability to Perform Required Services: 35%						
Accessibility of office (i.e.. proximity to audit site)	0-10	21	30	16	21	22
Audit approach and schedule	0-10	22	26	24	27	17
External quality control reviews	0-5	9	15	15	15	15
Any pending litigation or proceeding against the Proposer	0-5	18	15	15	15	15
Subtotal		70	86	70	78	69
Weighted score (points x 35%) Max. 10.50 pts.		24.5	30.1	24.5	27.3	24.15
Fees for services: 30%						
Flat Fee: Financial Audit only		$ 52,900	$ 49,800	$ 58,000	$ 50,000	$ 42,000
Single Audit (if required)		5,850	6,000	5,000	-	3,000
Total Fee including Single Audit (if required)		$ 58,750	$ 55,800	$ 63,000	$ 50,000	$ 45,000
Rate per Hour for additional services		$ 150	$ 185	$ 225	$ 175	$ 255
Flat fee proposal	0-10	19	27	16	27	25
Fees for additional work outside the scope of contract	0-5	12	13	9	15	9
Subtotal		31	40	25	42	34
Weighted score (points x 30%) Max. 4.50 pts.		9.3	12	7.5	12.6	10.2
Total Score (sum of weighted scores) Max. 29.00 pts.		65.65	82	71.55	79.8	73.9

Auditor Selection Committee
Evaluation/Ranking Summary

Committee Member: Steve Hockman

	Points	Proposer #1	Proposer #2	Proposer #3	Proposer #4	Proposer #5
Name of Proposer:		Hinkle/Harris	Nowlen Holt	A. Caballero	Keefe, McCull.	Grau & Assoc.
Criteria:						
Proposer's Qualifications and Experience: 35%						
Licensed to practice in the State of Florida (yes or no)	0-5	5	5	5	5	5
Minimum 3 years municipal government audit experience	0-10	2	10	10	10	10
References provided	0-5	4	4	4	4	4
Qualifications of individuals assigned to audit	0-10	5	10	10	10	10
Past experience with Single Audits and test of compliance	0-10	10	10	10	10	10
Subtotal		26	39	39	39	39
Weighted score (points x 35%) Max. 14.00 pts.		9.1	13.65	13.65	13.65	13.65
Proposer's Ability and Capability to Perform Required Services: 35%						
Accessibility of office (i.e.. proximity to audit site)	0-10	4	10	4	6	5
Audit approach and schedule	0-10	3	8	5	8	2
External quality control reviews	0-5	4	5	5	5	5
Any pending litigation or proceeding against the Proposer	0-5	5	5	5	5	5
Subtotal		16	28	19	24	17
Weighted score (points x 35%) Max. 10.50 pts.		5.6	9.8	6.65	8.4	5.95
Fees for services: 30%						
Flat Fee: Financial Audit only		$ 52,900	$ 49,800	$ 58,000	$ 50,000	$ 42,000
Single Audit (if required)		5,850	6,000	5,000	-	3,000
Total Fee including Single Audit (if required)		$ 58,750	$ 55,800	$ 63,000	$ 50,000	$ 45,000
Rate per Hour for additional services		$ 150	$ 185	$ 225	$ 175	$ 255
Flat fee proposal	0-10	5	10	4	10	5
Fees for additional work outside the scope of contract	0-5	3	5	3	5	3
Subtotal		8	15	7	15	8
Weighted score (points x 30%) Max. 4.50 pts.		2.4	4.5	2.1	4.5	2.4
Total Score (sum of weighted scores) Max. 29.00 pts.		17.1	27.95	22.4	26.55	22

Auditor Selection Committee
Evaluation/Ranking Summary

Committee Member: Daniella Russell

Name of Proposer:	Proposer #1	Proposer #2	Proposer #3	Proposer #4	Proposer #5
	Hinkle/Harris	Nowlen Holt	A. Caballero	Keefe, McCull.	Grau & Assoc.
Criteria:	**Points**				
Proposer's Qualifications and Experience: 35%					
Licensed to practice in the State of Florida (yes or no)	0-5	5	5	5	5	5
Minimum 3 years municipal government audit experience	0-10	10	10	10	10	10
References provided	0-5	5	5	5	5	5
Qualifications of individuals assigned to audit	0-10	5	9	9	9	9
Past experience with Single Audits and test of compliance	0-10	10	10	10	10	10
Subtotal		35	39	39	39	39
Weighted score (points x 35%) Max. 14.00 pts.		12.25	13.65	13.65	13.65	13.65
Proposer's Ability and Capability to Perform Required Services: 35%						
Accessibility of office (i.e.. proximity to audit site)	0-10	8	10	5	7	8
Audit approach and schedule	0-10	10	9	10	10	9
External quality control reviews	0-5	1	5	5	5	5
Any pending litigation or proceeding against the Proposer	0-5	8	5	5	5	5
Subtotal		27	29	25	27	27
Weighted score (points x 35%) Max. 10.50 pts.		9.45	10.15	8.75	9.45	9.45
Fees for services: 30%						
Flat Fee: Financial Audit only		$ 52,900	$ 49,800	$ 58,000	$ 50,000	$ 42,000
Single Audit (if required)		5,850	6,000	5,000	-	3,000
Total Fee including Single Audit (if required)		$ 58,750	$ 55,800	$ 63,000	$ 50,000	$ 45,000
Rate per Hour for additional services		$ 150	$ 135	$ 225	$ 100	$ 255
Flat fee proposal	0-10	7	8	6	9	10
Fees for additional work outside the scope of contract	0-5	5	5	4	5	4
Subtotal		12	13	10	14	14
Weighted score (points x 30%) Max. 4.50 pts.		3.6	3.9	3	4.2	4.2
Total Score (sum of weighted scores) Max. 29.00 pts.		25.3	27.7	25.4	27.3	27.3

Auditor Selection Committee
Evaluation/Ranking Summary

Committee Member:_____ Matt Pazanski

Name of Proposer:	Proposer #1	Proposer #2	Proposer #3	Proposer #4	Proposer #5
	Hinkle/Harris	Nowlen Holt	A. Caballero	Keefe, McCull.	Grau & Assoc.
Criteria:	**Points**				
Proposer's Qualifications and Experience: 35%					
Licensed to practice in the State of Florida (yes or no)	0-5	5	5	5	5	5
Minimum 3 years municipal government audit experience	0-10	6	9	8	9	8
References provided	0-5	3	3	3	3	3
Qualifications of individuals assigned to audit	0-10	6	9	9	9	9
Past experience with Single Audits and test of compliance	0-10	10	10	10	10	10
Subtotal		30	36	35	36	35
Weighted score (points x 35%) Max. 14.00 pts.		10.5	12.6	12.25	12.6	12.25
Proposer's Ability and Capability to Perform Required Services: 35%						
Accessibility of office (i.e.. proximity to audit site)	0-10	9	10	7	8	9
Audit approach and schedule	0-10	9	9	9	9	6
External quality control reviews	0-5	4	5	5	5	5
Any pending litigation or proceeding against the Proposer	0-5	5	5	5	5	5
Subtotal		27	29	26	27	25
Weighted score (points x 35%) Max. 10.50 pts.		9.45	10.15	9.10	9.45	8.75
Fees for services: 30%						
Flat Fee: Financial Audit only		$ 52,900	$ 49,800	$ 58,000	$ 50,000	$ 42,000
Single Audit (if required)		5,850	6,000	5,000	-	3,000
Total Fee including Single Audit (if required)		$ 58,750	$ 55,800	$ 63,000	$ 50,000	$ 45,000
Rate per Hour for additional services		$ 150	$ 135	$ 175	$ 100	$ 175
Flat fee proposal	0-10	7	9	6	8	10
Fees for additional work outside the scope of contract	0-5	4	3	2	5	2
Subtotal		11	12	8	13	12
Weighted score (points x 30%) Max. 4.50 pts.		3.3	3.6	2.4	3.9	3.6
Total Score (sum of weighted scores) Max. 29.00 pts.		23.25	26.35	23.75	25.95	24.6