

## PROCUREMENT SUMMARY

ANNUAL FINANCIAL AND COMPLIANCE AUDITS OF METRO AND ITS  
COMPONENT UNITS FY24-29/PS108960(2)000

1.	<b>Contract Number:</b> PS108960(2)000	
2.	<b>Recommended Vendor:</b> Crowe LLP	
3.	<b>Type of Procurement (check one):</b> <input type="checkbox"/> IFB <input checked="" type="checkbox"/> RFP <input type="checkbox"/> RFP-A&E <input type="checkbox"/> Non-Competitive <input type="checkbox"/> Modification <input type="checkbox"/> Task Order	
4.	<b>Procurement Dates:</b>	
	<b>A. Issued:</b> February 6, 2024	
	<b>B. Advertised/Publicized:</b> February 6, 2024	
	<b>C. Pre-Proposal Conference:</b> February 15, 2024	
	<b>D. Proposals Due:</b> March 25, 2024	
	<b>E. Pre-Qualification Completed:</b> April 23, 2024	
	<b>F. Conflict of Interest Form Submitted to Ethics:</b> March 25, 2024	
	<b>G. Protest Period End Date:</b> June 25, 2024	
5.	<b>Solicitations Picked up/Downloaded:</b> 19	<b>Bids/Proposals Received:</b> 5
6.	<b>Contract Administrator:</b> Antonio Monreal	<b>Telephone Number:</b> (213) 922-4679
7.	<b>Project Manager:</b> Lauren Choi	<b>Telephone Number:</b> (213) 922-3926

**A. Procurement Background**

This Board Action is to approve Contract No. PS108960(2)000 to perform financial and compliance audits of Metro and its component units. Board approval of contract award is subject to the resolution of all properly submitted protest(s), if any.

The Request for Proposals (RFP) was originally issued on September 8, 2023. Two proposals were received by the proposal due date and time. However, the solicitation was canceled due to changes in the RFP requirements.

On February 6, 2024, RFP No. PS108960(2) was issued as a competitive procurement, in accordance with Metro's Acquisition Policy and the contract type is a firm-fixed unit rate. The Diversity & Economic Opportunity Department recommended a Disadvantaged Business Enterprise (DBE) contract goal of 12% for this procurement.

Two amendments were issued during the solicitation phase of this RFP:

- Amendment No. 1, issued on February 23, 2024, extended the deadline to submit questions.
- Amendment No. 2 issued on March 14, 2024, extended the proposal due date and provided an updated list of certified DBE firms.

A total of 19 firms downloaded the RFP and were included on the planholders' list. A virtual pre-proposal conference was held on February 15, 2024 and was attended by 3 participants representing 3 firms. There were 38 questions received, and responses were released prior to the proposal due date.

A total of five proposals were received by March 25, 2024, from the following firms listed below in alphabetical order:

1. CliftonLarsonAllen LLP
2. Crowe LLP
3. Eide Bailly LLP
4. Macias Gini O'Connell LLP
5. Vasquez & Company LLP

## **B. Evaluation of Proposals**

A Proposal Evaluation Team (PET) consisting of Metro staff from Accounting and Management Audit Services was convened and conducted a comprehensive technical evaluation of the proposals received.

The proposals were evaluated based on the following evaluation criteria:

Phase I: Minimum Qualification Requirements – This is a pass/fail criteria. To be responsive to the RFP minimum qualification requirements, proposer/s must have met all criteria:

1. Proposer has been licensed as a Certified Public Accountant (CPA) to do business in the United States for a minimum of five (5) years.
2. Proposer has a satisfactory Peer Review within the last three (3) years showing compliance with Generally Accepted Government Auditing Standards (GAGAS).

Phase II: Technical Evaluation: Proposers that met the Phase 1 minimum qualification requirements were further evaluated based on the following evaluation criteria and weights:

- |  |     |
|--|-----|
| • Experience and Qualifications of the Firm      | 30% |
| • Experience and Qualifications of Key Personnel | 35% |
| • Comprehensiveness of Work Plan                 | 20% |
| • Price Proposal                                 | 15% |

The evaluation criteria are appropriate and consistent with criteria developed for similar projects. Several factors were considered in developing these weights, giving the greatest importance to the experience and qualifications of key personnel.

Evaluations were conducted from March 26, 2024, through April 18, 2024. All five proposing firms were invited for oral presentations. The Proposers' key team members had an opportunity to present their team's qualifications and to respond to the PET's questions. The PET completed its evaluation of proposals and determined Crowe LLP to be the highest-ranked proposer.

### **Qualifications Summary of Firms:**

#### **CliftonLarsonAllen LLP**

CliftonLarsonAllen LLP has been in business for over 60 years. It currently provides audit and consulting services to several local and state agencies across the United States, including transit authorities such as the Colorado Department of Transportation, Regional Public Transportation Authority, and City of McFarland.

#### **Crowe LLP**

Crowe LLP has been in business for over 80 years. It currently provides professional audit services to local, state, and federal agencies across the United States, including transit authorities such as Orange County Transportation Authority (OCTA), San Bernardino County Transportation Authority (SBCTA), and San Diego Association of Governments (SANDAG).

#### **Eide Bailly LLP**

Eide Bailly LLP has been in business for more than 100 years and is licensed to practice public accounting in all 50 states. It currently provides services to several local, state, and federal agencies across the United States, including transit authorities such as Tri-County Metropolitan Transportation District of Oregon (Tri-Met), Santa Clara Valley Transportation Authority, and Southern California Regional Rail Authority/Metrolink.

#### **Macias Gini O'Connell LLP**

Macias Gini O'Connell LLP was founded in 1987. It currently provides accounting and advisory services to several local, state, and federal agencies across the United States, including authorities such as the San Francisco Bay Area Rapid Transit District (BART), the County of Los Angeles, and the City and County of San Francisco.

#### **Vasquez & Company LLP**

Vasquez & Company LLP was established in 1969. It currently provides financial and compliance audit services to several local, state, and federal agencies across the United States, including transit authorities such as Imperial County Local Transportation Authority, Santa Barbara Metropolitan Transit District, and Sunline

Transit Agency.

The following is a summary of the PET scores:

1	Firm	Average Score	Factor Weight	Weighted Average Score	Rank
2	<b>Crowe LLP</b>				
3	Experience and Qualifications of the Firm	96.67	30.00%	29.00	
4	Experience and Qualifications of Key Personnel	97.77	35.00%	34.22	
5	Comprehensiveness of Work Plan	95.35	20.00%	19.07	
6	Price Proposal	97.60	15.00%	14.64	
7	<b>Total</b>		<b>100.00%</b>	<b>96.93</b>	<b>1</b>
8	<b>Eide Bailly LLP</b>				
9	Experience and Qualifications of the Firm	88.33	30.00%	26.50	
10	Experience and Qualifications of Key Personnel	95.54	35.00%	33.44	
11	Comprehensiveness of Work Plan	90.65	20.00%	18.13	
12	Price Proposal	93.47	15.00%	14.02	
13	<b>Total</b>		<b>100.00%</b>	<b>92.09</b>	<b>2</b>
14	<b>CliftonLarsonAllen LLP</b>				
15	Experience and Qualifications of the Firm	83.33	30.00%	25.00	
16	Experience and Qualifications of Key Personnel	90.00	35.00%	31.50	
17	Comprehensiveness of Work Plan	88.65	20.00%	17.73	
18	Price Proposal	100.00	15.00%	15.00	
19	<b>Total</b>		<b>100.00%</b>	<b>89.23</b>	<b>3</b>
20	<b>Macias Gini O'Connell LLP</b>				
21	Experience and Qualifications of the Firm	86.67	30.00%	26.00	
22	Experience and Qualifications of Key Personnel	91.11	35.00%	31.89	
23	Comprehensiveness of Work Plan	86.65	20.00%	17.33	
24	Price Proposal	76.27	15.00%	11.44	
25	<b>Total</b>		<b>100.00%</b>	<b>86.66</b>	<b>4</b>
26	<b>Vasquez &amp; Company LLP</b>				

27	Experience and Qualifications of the Firm	78.33	30.00%	23.50	
28	Experience and Qualifications of Key Personnel	88.89	35.00%	31.11	
29	Comprehensiveness of Work Plan	78.00	20.00%	15.60	
30	Price Proposal	79.73	15.00%	11.96	
31	<b>Total</b>		<b>100.00%</b>	<b>82.17</b>	<b>5</b>

### C. Price Analysis

The recommended price has been determined to be fair and reasonable based on adequate competition, price analysis, an independent cost estimate (ICE), and technical analysis.

	<b>Proposer Name</b>	<b>Proposal Amount</b>	<b>Metro ICE</b>	<b>Recommended Amount</b>
1.	Crowe LLP	\$2,561,420	\$6,732,203	\$2,561,420
2.	Eide Bailly LLP	\$2,673,502		
3.	CliftonLarsonAllen LLP	\$2,499,600		
4.	Macias Gini O'Connell LLP	\$3,278,166		
5.	Vasquez & Company LLP	\$3,135,984		

The variance between the ICE and the recommended price is attributed to utilizing high-end labor rates for large-size accounting firms.

### D. Background on Recommended Contractor

Crowe LLP is a public accounting, consulting and technology firm with over 80 years of experience serving many large public transit organizations, which utilize similar federal, state and local funding streams similar to Metro.

Crowe's proposed Lead Engagement Partner has more than 23 years of experience and leads the firm's state and local government segment of the Public Sector Services (PSS) group providing assurance services to several state and local government entities.

Crowe's team includes one DBE subcontractor, which shall assist in providing annual financial and compliance audit services.

Crowe has demonstrated knowledge, skill, and experience serving as Metro's external auditor for the past nine years.