

## PROCUREMENT SUMMARY

### AUDIT SERVICES BENCH / PS86611000 - PS86611007

1.	<b>Contract Number:</b> PS86611000 through PS86611007	
2.	<b>Recommended Vendors:</b> See Attachment B	
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>	
	A. <b>Issued:</b> April 29, 2022	
	B. <b>Advertised/Publicized:</b> April 29, 2022	
	C. <b>Pre-Proposal Conference:</b> May 10, 2022	
	D. <b>Proposals Due:</b> June 9, 2022	
	E. <b>Pre-Qualification Completed:</b> September 19, 2022	
	F. <b>Conflict of Interest Form Submitted to Ethics:</b> July 7, 2022	
	G. <b>Protest Period End Date:</b> October 24, 2022	
5.	<b>Solicitations Picked up/Downloaded:</b> 41	<b>Bids/Proposals Received:</b> 13
6.	<b>Contract Administrator:</b> Antonio Monreal	<b>Telephone Number:</b> (213) 922-4679
7.	<b>Project Manager:</b> Monica Del Toro	<b>Telephone Number:</b> (213) 922-7494

#### A. Procurement Background

This Board Action is to establish the audit services bench contracts for a five-year term, inclusive of a three-year base term and two, one-year option terms. The contracts shall be effective January 1, 2023, with a cumulative total amount not-to-exceed \$12,144,985. The bench is intended to provide audit services involving two disciplines: (1) staff augmentation and (2) subject matter expertise services. Board approval of contract award is subject to resolution of any properly submitted protest.

Audit services shall be performed on an “as-needed” basis and work shall be authorized through the issuance of task orders for either staff augmentation or subject matter expertise.

On April 29, 2022, Request for Proposals (RFP) No. PS86611 was issued as a competitive procurement in accordance with Metro’s Acquisition Policy and the contract type is a firm-fixed unit rate.

A virtual pre-proposal conference was held on May 10, 2022. Seven questions were received, and Metro provided responses prior to the proposal due date.

One amendment was issued during the solicitation phase of this RFP:

- Amendment No. 1, issued on May 27, 2022, extended the proposal due date.

A total of 41 firms downloaded the RFP and were included on Metro's planholders' list. A total of 13 proposals from eight firms were received by the due date of June 9, 2022, and are listed below in alphabetical order, per discipline:

**Discipline 1: Staff Augmentation**

1. BCA Watson Rice Western Region, LLP
2. Qiu Accountancy Corporation
3. Simpson & Simpson, LLP
4. TAP Financials, LLP
5. The Lopez Group, LLP

**Discipline 2: Subject Matter Expertise**

1. BCA Watson Rice Western Region, LLP
2. CPC Financial Services
3. Qiu Accountancy Corporation
4. Simpson & Simpson, LLP
5. Talson Solutions, LLC
6. TAP International, Inc
7. The Lopez Group, LLP
8. Vasquez & Company LLP

**B. Evaluation of Proposals**

**Discipline 1: Staff Augmentation**

A Proposal Evaluation Team (PET) consisting of staff from Management Audit Services and Office of Inspector General was convened and conducted a comprehensive technical evaluation of the proposals received. The proposals were evaluated based on the following:

Phase I Evaluation – Minimum Qualification Review: This is a pass/fail criteria. The criteria focused on the proposer's license to practice public accounting in California and experience in providing auditing and accounting services, and the Prime contractor's compliance with Generally Accepted Government Auditing Standards (GAGAS) within the last three years as determined through latest Peer Review Reports.

On July 6, 2022, the PET met to review the evaluation criteria package, process confidentiality and conflict of interest forms, and take receipt of the five proposals to initiate the evaluation phase.

On July 29, 2022, the PET reconvened and determined that all proposals received met the minimum qualification requirements and proceeded with Phase II- Technical Evaluation based on the following criteria and weights:

- Proposer's Qualifications and Experience 20 percent

- Management Plan and Understanding of Work 30 percent
- Experience and Qualifications of Key Personnel 30 percent
- Cost Proposal 20 percent

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

Evaluations were conducted from July 6, 2022, through July 29, 2022. At the conclusion of the evaluations, the PET determined that all five firms met the competitive range and were determined to be responsive, responsible, and qualified to perform the services based on the RFP’s requirements. The five firms are listed below in alphabetical order.

1. BCA Watson Rice Western Region, LLP
2. Qiu Accountancy Corporation
3. Simpson & Simpson, LLP
4. TAP Financials, LLP
5. The Lopez Group, LLP

**Discipline 2: Subject Matter Expertise**

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

Proposals were evaluated based on the following criteria stated in the RFP:

- Proposer’s Qualifications and Experience 50 percent
- Experience and Qualifications of Key Personnel 20 percent
- Management Plan and Understanding of Work 30 percent

The evaluation criteria are appropriate and consistent with criteria developed for similar services. Several factors were considered in developing these weights, giving the greatest importance to Proposer’s qualification and experience.

On July 6, 2022, the PET met to review the evaluation criteria package, process confidentiality and conflict of interest forms, and take receipt of the eight proposals to initiate the evaluation phase. Evaluations were conducted from July 6, 2022, through August 17, 2022.

On August 17, the PET reconvened and determined that of the eight proposals received, one firm was outside of the competitive range and was not included for further consideration. The seven firms within the competitive range are listed below in alphabetical order.

1. BCA Watson Rice Western Region, LLP
2. Qiu Accountancy Corporation
3. Simpson & Simpson, LLP
4. Talson Solutions, LLC
5. TAP International, Inc
6. The Lopez Group, LLP
7. Vasquez & Company LLP

Following the conclusion of the evaluations for both disciplines, staff conducted negotiations and fact finding for various cost elements with all of the recommended firms.

### **C. Cost/Price Analysis**

Each proposer submitted fully burdened hourly rates for labor classifications necessary to perform staff augmentation and subject matter expertise services, respectively. The negotiated rates have been determined to be fair and reasonable based on price analysis, cost analysis, technical evaluation, fact-finding, and negotiations.

Work for this Bench Contract will be authorized through the issuance of individual task orders. Task orders for each discipline will contain a specific scope of service and will be competed among the firms on the bench.

### **D. Background on Recommended Contractors**

#### **BCA Watson Rice Western Region, LLP**

BCA Watson Rice Western Region, LLP (BCA) is a certified public accounting partnership formed in 2013 and is located in Torrance, CA. BCA provides performance, contract, grant and compliance audit services. BCA predominantly services state, local, regional, and federal government agencies, including Orange County Transportation Authority, Riverside County Transportation Commission, Alameda Corridor Transportation Authority and Metrolink. BCA has been on Metro's audit services bench since 2008, under the name of Thompson, Cobb, Bazilio, Inc., and performance has been satisfactory.

BCA is a Metro-certified small business enterprise.

#### **Qiu Accountancy Corporation**

Qiu Accountancy Corporation (Qiu), located in Pasadena, CA, has been providing performance, financial and compliance audits for more than 25 years. Government clients include the City of Los Angeles, County of Los Angeles and California Department of Transportation (CALTRANS). Qiu has been on Metro's audit services bench since 2001 and performance has been satisfactory.

Qiu is a Metro-certified small business enterprise.

### **Simpson & Simpson, LLP**

Simpson & Simpson LLP (Simpson & Simpson) was founded in 1976 and is headquartered in Los Angeles, CA. It is a local public accounting firm providing auditing, accounting, management consulting, and tax services to local government and nonprofit organizations. Clients include the Los Angeles Unified School District, City of Los Angeles Department of Water and Power, and South Coast Air Quality Management District. Simpson & Simpson has been on Metro's audit services bench since 2001 and performance has been satisfactory.

### **Talson Solutions, LLC**

Talson Solutions, LLC (Talson) is headquartered in Philadelphia, PA and has been in business for over ten years. It specializes in capital project consulting, construction audit, advisory and compliance services, and quality management and assurance reviews. Clients include Denver International Airport, Central Puget Sound Regional Transit Authority (Sound Transit), New Orleans Regional Transit Authority, and Federal Transit Administration (FTA). Talson has been on Metro's audit services bench since 2017 and performance has been satisfactory.

Talson is a disadvantaged business enterprise (DBE).

### **TAP Financials, LLP**

TAP Financials LLP (TAP Financials), located in Pasadena, CA, was established in 2016. It is a certified public accounting company, specializing in compliance and contract auditing. Clients include City of Santa Clara Tourism Improvement District, City of Beverly Hills, Bay Area Rapid Transit District, and San Diego Gas & Electric. TAP Financials is new to Metro but its subcontractor, Tap International, Inc., has been on Metro's audit service bench since 2014 and performance has been satisfactory.

TAP Financials is a disadvantaged business enterprise (DBE).

### **TAP International, Inc.**

TAP International, Inc (TAP International) was established in 2011 and is located in Pasadena, CA. It specializes in providing performance audits, internal audits, compliance audits, and management consulting. Clients include Metro, Santa Clara Valley Water District, City of Santa Clara, City of Pasadena, and Bay Area Rapid Transit District. TAP International has been on Metro's audit services bench since 2014 and performance has been satisfactory.

TAP International is a Metro-certified small business enterprise and a disadvantaged business enterprise (DBE).

### **The Lopez Group, LLP**

The Lopez Group, LLP (The Lopez Group), headquartered in Temecula, CA, is a full-service accounting, auditing, tax, consulting and management firm. It brings over 65 years of public practice experience. It conducts financial audits, performance audits, attestation, staff augmentation, and consulting services. Government clients include Department of Labor, Office of Inspector General, Department of Energy, and Federal Transit Administration. The Lopez Group has been providing audit services to Metro since 1996 and performance has been satisfactory.

The Lopez Group is a Metro-certified small business enterprise.

### **Vasquez & Company LLP**

Vasquez & Company is located in Glendale, CA and has been in business since 1969. It specializes in indirect cost rate audits, incurred cost audits, revenue, and general audit service. Clients include Alameda Corridor Transportation Authority, Los Angeles World Airports, Pomona Valley Transportation Authority, and Sunline Transit Agency. Vasquez & Company has been on Metro's audit services bench since 2003 and performance has been satisfactory.