



OFFICE OF THE CITY AUDITOR
Long Beach, California

LAURA L. DOUD, CPA
City Auditor

October 10, 2023

R-24

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Adopt Specifications No. RFP AU-23-258 and award a contract to Crowe LLP, of Costa Mesa, CA, for annual audit services in a total amount not to exceed \$2,787,590, for a period of three years, with the option to renew for two additional one-year periods, at the discretion of the City Auditor; and, authorize the City Manager, or designee, to execute all documents necessary to enter into the contract, including any necessary subsequent amendments. (Citywide)

DISCUSSION

City Council approval is requested to enter into a contract with Crowe LLP, for the providing annual audit services, beginning with Fiscal Year 2024.

A Request for Proposals (RFP) was advertised in the Long Beach Press-Telegram on April 28, 2023, and 26 potential proposers specializing in audit services were notified of the RFP opportunity. Of those proposers, 11 downloaded the RFP via the City's electronic bid system. The RFP document was made available from the Purchasing Division, located on the sixth floor of City Hall, and the Division's website at www.longbeach.gov/purchasing. An RFP announcement was also included in the Purchasing Division's weekly update of Open Bid Opportunities, which is sent to 44 local, minority-owned, and women-owned business groups. There were four proposals received by the deadline of June 8, 2023. Of those four proposers, one was Minority-owned Business Enterprise (MBE), none were Women-owned Business Enterprises (WBEs), one was a certified Small Business Enterprise (SBE), and none were Long Beach vendors (Local). The selection committee determined that Crowe LLP, of Costa Mesa, California (not a MBE, WBE, SBE, or Local) was the most qualified firm to provide the services.

Local Business Outreach

To align with the City's outreach goal, Long Beach businesses are encouraged to submit proposals for City contracts. The Purchasing Division also assists businesses with registering on the Long Beach Buys database to download RFP specifications. Through

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outreach, four Long Beach vendors were notified to submit proposals, of which one downloaded and none submitted a proposal. The Purchasing Division is committed to continuing to perform outreach to local vendors to expand the bidder pool.

This matter was reviewed by Director of Financial Management Kevin Riper, City Controller Ruby Carrillo-Quincey, Deputy City Attorney Atoy H. Wilson, and Purchasing Agent Michelle Wilson on August 30, 2023, and by Revenue Management Officer Geraldine Alejo on September 1, 2023.

TIMING CONSIDERATIONS

City Council action to adopt Specifications No. RFP AU-23-258 and award a contract concurrently is requested on October 10, 2023 to ensure the contract is in place expeditiously.

FISCAL IMPACT

The total amount of the contract will not exceed \$2,787,590 for the initial three-year contract period. The annual cost of the audit services will be allocated to the departments and funds receiving services. Sufficient appropriation is budgeted across various departments and funds. This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with existing City Council priorities. There is no local job impact associated with this recommendation.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



LAURA L. DOUD, CPA
CITY AUDITOR

APPROVED:



THOMAS B. MODICA
CITY MANAGER