



**OFFICE OF THE CITY AUDITOR**  
Long Beach, California

LAURA L. DOUD, CPA  
City Auditor

October 10, 2023

**R-25**

HONORABLE MAYOR AND CITY COUNCIL  
City of Long Beach  
California

**RECOMMENDATION:**

Authorize the City Manager, or designee, to execute all documents necessary to amend Contract No. 33203 with KPMG LLP, of Irvine, CA, for annual audit services, to increase the contract amount by \$978,625, for a revised contract amount not to exceed \$10,110,101 and extend the term of the contract to June 30, 2024. (Citywide)

**DISCUSSION**

City Council approval is requested to amend Contract No. 33203 with KPMG LLP, to continue providing annual audit services for Fiscal Year 2023 (FY 23).

On July 16, 2013, the City Council awarded a contract to KPMG LLP, as part of its adoption of Request For Proposals (RFP) AU13-033 for annual audit services for two years, with the option to renew for two additional one-year periods. Six contract amendments have been executed to extend the contract to June 30, 2023. The previous contract amendments allowed for the execution of these services while the City of Long Beach (City) continued to recover from the public health emergency.

City Council approval is requested to execute an additional amendment to Contract No. 33203 to allow for the execution of these services due to unforeseen circumstances impacting the RFP process and audit completion timeline. As such, a one-year extension to the KPMG LLP, contract is requested to complete the FY 23 audits, while the City is negotiating a new contract with the selected vendor for the most recent RFP process for annual audit services for FY 24 and beyond.

This matter was reviewed by Director of Financial Management Kevin Riper, City Controller Ruby Carrillo-Quincey, and Deputy City Attorney Atoy H. Wilson on August 30, 2023, Purchasing Agent Michelle Wilson on September 8, 2023, and by Revenue Management Officer Geraldine Alejo on September 13, 2023.

TIMING CONSIDERATIONS

City Council action to amend Contract No. 33203 is requested on October 10, 2023, to ensure there is no interruption to services.

FISCAL IMPACT

The requested action increases the Contract authority with KPMG by \$978,625. The total revised contract amount will not exceed \$10,110,101. 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,



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LAURA L. DOUD, CPA  
CITY AUDITOR

APPROVED:



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THOMAS B. MODICA  
CITY MANAGER