



Midpeninsula Regional
Open Space District

R-25-31
Meeting 25-08
March 12, 2025

AGENDA ITEM 6

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Approval of an Agreement with Maze & Associates to provide Financial Auditing Services for three years to cover Fiscal Year (FY) 2024-25 through FY2027-28, for a Not-To-Exceed Total Amount of \$142,013

CONTROLLER’S RECOMMENDATION



Appoint Maze & Associates as the Midpeninsula Regional Open Space District’s financial auditor for FY2024-25 through FY2027-28 and authorize the General Manager to execute a three-year contract and engagement letter agreement for a not-to-exceed amount of \$142,013.

SUMMARY

The District recently issued a Request for Proposal (RFP) in October and again in December 2024 for financial auditing services. Staff received and evaluated two proposals, and recommends entering into a three-year agreement with Maze & Associates for a grand total amount not to exceed \$142,013. This amount includes \$126,122 for the Independent Audit, preparation of the Annual Comprehensive Financial Report (ACFR) and the annual Measure AA bond expenditure audit, and an allowance of \$15,891 for a Single Audit of a Federal grant program, if needed.

BACKGROUND

Below is a history of auditing services provided to the District after each Request for Proposals solicitation:

Vavrinek, Trine, Day & Co.	FY2004-05 through FY2006-07
Maze & Associates	FY2007-08 through FY2009-2010
Vavrinek, Trine, Day & Co.	FY2010-11 though FY2012-13
Chavan & Associates	FY2013-14 through FY2017-18
Chavan & Associates	FY2018-19 through FY2020-21 and again from FY2021-22 through FY2023-24 via a contract extension

DISCUSSION

A new RFP for Auditing Services was prepared and distributed in October and again in December 2024 to ten local accounting firms and was placed on the Bid Sync procurement tool. Staff received the following two proposals:

Firm	Location	Cost Proposal
Chavan & Associates	Morgan Hill, CA	\$85,500
Maze & Associates	Pleasant Hill, CA	\$142,013

Based on the two proposals received, Chavan & Associates and Maze & Associates were interviewed by a District panel comprised of the Controller, Chief Financial Officer and the Budget & Finance Manager. On a technical level, both firms are deemed to be fully qualified to provide auditing services for the District with very similar approaches and schedules.

Although Chavan & Associates has proven to be a very high-quality firm over the last eleven years and proposed a lower overall fee, the Controller recommends entering into an agreement with Maze & Associates, because the firm is also highly qualified, and best serves the current needs of the District at a fair and reasonable price. This recommendation is based on the following:

- Maze & Associates will provide a fresh audit perspective and approach given that Chavan & Associates have served in this capacity over the last 11 years. Switching to a different auditor is a known best practice to help further strengthen the District's financial reporting and internal controls. Having a different auditor review the District's financials brings in a set of fresh eyes that can more readily identify new areas of enhancements for consideration.
- Maze & Associates allocated a larger number of hours to attend to the District's audit and reporting in their bid.
- Maze & Associates also provides additional training for District staff, especially on new pronouncements by GASB, including an annual training day.

For these reasons, the Controller recommends the appointment of Maze & Associates as the District's external auditor for FY2024-25 to FY2027-28, with a total contract amount not to exceed \$142,013 for all three years.

PRIOR BOARD OR COMMITTEE REVIEW

None

FISCAL IMPACT

The required financial audit is an ongoing, annual cost. The proposed amount annual amount of \$40,005 plus a \$5,040 allowance is included in the Administration Department's FY2024-25 Proposed Operating Budget. Future fiscal year budgets would include the additional amounts needed for those subsequent years.

PUBLIC NOTICE

Notice was provided pursuant to the Brown Act. No additional notice is necessary.

CEQA COMPLIANCE

No compliance is required as this action is not a project under CEQA.

NEXT STEPS

If approved by the Board, staff will contact Maze & Associates to request an engagement letter and will set up a purchase order to retain their audit services.

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