



DATE: April 17, 2023

TO: Transportation Authority of Marin Citizens' Oversight Committee

FROM: Anne Richman, Executive Director
Li Zhang, Deputy Executive Director/Chief Financial Officer

SUBJECT: Review of TAM's Financial Audit Team Selection (Action), Agenda Item No. 7

RECOMMENDATION

Staff recommends that the Citizens' Oversight Committee (COC) reviews the selection of Maze and Associates as TAM's audit team and refers the selection to the TAM Board for approval at its April 27, 2023 meeting.

BACKGROUND

TAM is required by its Measure A/AA ½ Cent Transportation Sales Tax and Measure B \$10 Vehicle Registration Fee Expenditure Plans and the Public Utilities Code (PUC)180105(c) to conduct an annual financial audit. The COC is required to report the results of the TAM Annual Financial Audit, as well as the results of the compliance audits conducted for Measure A/AA, to the residents in Marin in its annual report.

DISCUSSION/ANALYSIS

TAM's financial audit services contract with Eide Bailly, LLP expired upon the completion of TAM's FY2021-22 Financial Audit. Staff issued a Request for Proposals for TAM's Financial Audit Services on March 1, 2023 to start the selection process for a new contract.

Staff received a total of four proposals by the March 24, 2023 deadline, all of them qualified audit teams known in the governmental audit sector. The professional evaluation panel consisted of three members: Daria Carrillo, Director of Finance with the Town of Corte Madera; Emily Tong, TAM's Senior Accountant, and Li Zhang, TAM's Deputy Executive Director/Chief Financial Officer. The panel ranked the proposals based on a set of evaluation criteria. The top three firms were invited to participate in interviews with the professional panel on Tuesday, April 4, 2023.

Maze and Associates was the top ranked firm after the first round of interviews and was invited to participate in the second round of interview with Peter Pelham, COC Chairperson and Ms. Zhang on Friday, April 7, 2023. Chairperson Pelham and Ms. Zhang confirmed Maze and Associates' experiences working with the citizens' oversight groups of other transportation authorities, and most recently with the Alameda County Transportation Commission, and feel very confident with the team's abilities to conduct TAM's financial audit as well as effectively communicate with the COC and to address any questions or concerns from the Committee when necessary.

FISCAL CONSIDERATION

The proposed cost is between \$20,000 and \$24,000 annually for the three-year contract, depending on the final audit work scope. The amount needed to start the FY2022-23 audit cycle is included in the current year's budget and the remaining needs will be included in the draft TAM FY2023-24 Annual Budget.

NEXT STEPS

Upon approval of the TAM Board, staff will start the negotiation process with Maze and Associates, finalize the contract, and begin coordinating plans for field work related to the FY2022-23 financial audit.

ATTACHMENTS

None