



CITY OF HAYWARD
AGENDA REPORT

AGENDA DATE 04/17/07
AGENDA ITEM 2
WORK SESSION ITEM _____

TO: Mayor and City Council
FROM: Director of Finance and Internal Services
SUBJECT: Authorization to Extend the Agreement with Maze & Associates for Professional Auditing Services

RECOMMENDATION:

It is recommended that City Council approve the attached resolution authorizing the City Manager to execute a contract extension with Maze & Associates for professional auditing services for a one-year term.

BACKGROUND:

The City's contract with Maze & Associates for audit services ended with the completion of the Fiscal Year 2005-06 financial audit. Maze & Associates has performed audit and financial services for the City for the last ten years.

During this period there have been dramatic changes in accounting industry requirements and disclosures, and Maze & Associates has performed in a satisfactory fashion.

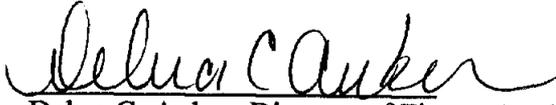
Because Maze & Associates has served as the external auditor for a number of years, the plan was to solicit proposals from other audit firms to serve as external auditor for the current fiscal year. This presumed that the vacant Finance Director position would be filled in sufficient time to undertake the Request for Proposals process. As this did not occur, staff suggests that the contract with Maze & Associates be extended for one year.

Continuity with an audit firm that has proven technical ability and demonstrated expertise in implementing upcoming audit requirements is critical during this time frame.

The one-year extension fee will be \$151,713, which is included in the FY 2007-08 Operating Budget. The fees have been adjusted from last year only for the change in cost of living index for San Francisco Bay Area.

The process for selection of new auditors will begin in October after the completion of fieldwork for the current audit. Staff plans to present a recommendation regarding the new auditor by January 2008.

Recommended by:



Debra C. Auker, Director of Finance and Internal Services

Approved by:



Jesús Armas, City Manager

Attachment: Draft Resolution

DRAFT

HAYWARD CITY COUNCIL

RESOLUTION NO. 07-

Introduced by Council Member _____

Maze
4/12/07

RESOLUTION AUTHORIZING THE CITY MANAGER TO
EXTEND THE AGREEMENT WITH MAZE & ASSOCIATES
FOR PROFESSIONAL AUDITING SERVICES FOR FISCAL
YEAR 2006-2007

BE IT RESOLVED by the City Council of the City of Hayward that the City Manager is hereby authorized and directed to extend on behalf of the City of Hayward that certain agreement by and between the City of Hayward and Maze & Associates for professional auditing services for a one-year term.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2007

ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS:

MAYOR:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ATTEST: _____
City Clerk of the City of Hayward

APPROVED AS TO FORM:

City Attorney of the City of Hayward