



**METROPOLITAN
TRANSPORTATION
COMMISSION**

Joseph P. Bort MetroCenter
101 Eighth Street
Oakland, CA 94607-4700
TEL 510.817.5700
TTY/TDD 510.817.5769
FAX 510.817.5848
E-MAIL info@mtc.ca.gov
WEB www.mtc.ca.gov

TO: Administration Committee

DATE: April 1, 2009

FR: Executive Director

W.I.: Work Item No.1152

RE: Contract Amendment: Professional Auditing Services: PriceWaterhouseCoopers, LLP

Staff recommends that the Committee approve a contract amendment in the amount of \$886,516 with PriceWaterhouseCoopers, LLP (PWC), with offices in San Francisco, for audit and review services.

Background

In April 2007, the Commission approved a three-year contract with PriceWaterhouseCoopers to perform a comprehensive financial and compliance audit starting with the fiscal year ending June 30, 2007. This memorandum recommends authorizing PWC to fund the third contract year audit for the fiscal year ending June 30, 2009 as well as additional review services described below. The recommendation to renew the contract has been reviewed by members of the Audit Committee and they concur.

Scope of work

(1) Audit of the agency's financial statements

The proposed audit will include the issuance of the Comprehensive Annual Financial Report (CAFR), including MTC, SAFE, BATA, BAIFA and fiduciary funds; a separate audit report of BAIFA; a single audit report in accordance with OMB Circular A-133; and a management letter.

(2) Internal control review of the FasTrak[®] Customer Service Center

The service is for the review of the internal control cash handling procedures at the FasTrak[®] Customer Service Center.

Control Budget Summary

<u>Scope</u>	<u>Amount</u>	<u>Fund Source</u>
Compliance audit fee	\$686,516	BATA, MTC, SAFE, BAIFA
FasTrak [®] internal control review	<u>\$200,000</u>	BATA
Total	\$886,516	

Recommendation

We recommend that this Committee authorize the Executive Director or his designated representative to negotiate and enter into a contract amendment with PriceWaterhouseCoopers in an amount of \$886,516 to provide Professional Auditing Services for the fiscal year ending June 30, 2009. If awarded, this amendment will be the last of the three years authorized under this contract.

Steve Heminger

SH: KW

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REQUEST FOR COMMITTEE APPROVAL

Summary of Proposed Consultant Contract

Work Item No.: 1152/1254/1230

Consultant: [PriceWaterhouseCoopers, LLP](#)
[San Francisco, CA](#)

Work Project Title: Fiscal and Compliance Audit – FY 2008-2009 and Review of Internal Control at the FasTrak[®] Customer Service Center

Purpose of Project: Obtain services of an Independent Auditor

Brief Scope of Work: To perform a comprehensive fiscal and compliance audit of MTC, SAFE, BATA and BAIFA for FY 2008-2009. Auditor will render appropriate reports as required by the A-133 Audit and in accordance with the financial and compliance type described in the *Government Auditing Standards*, published by the Comptroller General of the United States.

To review the internal control cash handling procedures at the FasTrak[®] Customer Service Center in accordance with *Standards for Consulting Services* established by the AICPA.

Audit and review reports to be completed for submission to the Commission Audit Committee at its October 2009 meeting.

Project Cost Not to Exceed: \$886,516

Funding Source: MTC \$312,436, SAFE \$58,308, BATA \$460,000, BAIFA \$55,772

Fiscal Impact: Included in FY 2008-2009 Operating Budget

Motion by Committee: That the Executive Director or his designated representative is authorized to negotiate and enter into a contract amendment with PriceWaterhouseCoopers LLP for the services described above. The Chief Financial Officer is authorized to set aside the funds for such amendment

Administration Committee:

Dave Cortese, Vice Chair

Approved: Date: April 8, 2009