



METROPOLITAN  
TRANSPORTATION  
COMMISSION

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**Memorandum**

TO: Administration Committee

DATE: April 3, 2013

FR: Executive Director

W. I. 1152

RE: Contract Amendment: Professional Auditing Services: PricewaterhouseCoopers, LLP (PWC)

This memorandum requests this Committee's authorization of a contract amendment in the amount of \$942,885 with PricewaterhouseCoopers, LLP (PWC) for FY 2012-13 audit and review services.

**Background**

In January 2011, following a competitive procurement, the Commission approved a four-year contract with two one-year options with PWC to perform comprehensive financial and compliance audit services starting with the fiscal year ending June 30, 2012. The amount authorized for the first year of the contract was \$740,516. This will be the second year for PWC under the current contract. Contract services include audit services for the fiscal year ending June 30, 2013, as well as SW additional review services for the Regional Customer Service Center.

**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, BAHA and fiduciary funds; a separate audit report of BAIFA and BAHA; a federal single audit report in accordance with OMB Circular A-133; and a management letter (\$792,855).
- (2) Review of controls at Regional Customer Service Center (RCSC). The software at the RCSC is undergoing an upgrade within the next year and PWC will review the controls during the testing and implementation phase (\$200,000).

**Recommendation**

Staff recommends that this Committee authorize the Executive Director or designee to negotiate and enter into a contract amendment with PricewaterhouseCoopers, LLP in an amount not to exceed \$942,885 to provide audit and professional services as described in this memorandum. Funds have been budgeted in the operating budget.

  
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Steve Heminger

## REQUEST FOR COMMITTEE APPROVAL

### Summary of Proposed Contract Amendment

Work Item No.: 1152

Consultant: PricewaterhouseCoopers, LLP, San Francisco, CA

Work Project Title: Audit and Professional Services

Purpose of Project: To obtain services of an Independent Auditor

Brief Scope of Work: To perform a comprehensive fiscal and compliance audit of MTC, BATA, BAIFA, BAHA, and MTC SAFE for FY 2012-13. Auditor will render appropriate reports as required by the A-133 Single 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.

Project Cost Not to Exceed: \$942,885 this amendment  
Total contract value before this amendment = \$740,516  
Total Authorized Contract amount with this amendment = \$1,683,401

Funding Source: General Fund, BATA, SAFE, BAIFA, BAHA -Included in FY 2012-13 Operating Budget

Fiscal Impact: Project costs are included in the FY 2012-13 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 services as described above, and in the Executive Director's memorandum dated April 3, 2013; and that the Chief Financial Officer is authorized to set aside funds in the amount of \$942,885 for such amendment.

Administration Committee:

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Adrienne J. Tissier, Chair

Approved: Date: April 10, 2013