



## AGENDA COVER MEMO

Memorandum Date: November 29, 2023

Order Date: December 12, 2023

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TO: Board of County Commissioners

DEPARTMENT: County Administration, Operations

PRESENTED BY: Greg Holmes, Financial Services Manager / County Treasurer

AGENDA ITEM TITLE: ORDER / In the Matter of Awarding a One-Year Contract with an Option for a One-Year Renewal for Independent Audit Services to Moss Adams LLP, and Delegating Authority to the County Administrator to Sign the Contract

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### I. MOTION

Move to award a one-year contract with an option for a one-year renewal for independent audit services to Moss Adams LLP, and to delegate authority to the County Administrator to sign the contract.

### II. AGENDA ITEM SUMMARY

The County needs professional auditing services in order to comply with ORS 297.405. The County can enter into a contract negotiated by the Deschutes County, Oregon as a cooperative procurement, available to all public agencies in Oregon, which offers better pricing than is available to counties on an individual basis. The services include an annual audit of the Lane County financial statements, including three audits of federal award programs, and an examination of the County's compliance with the requirements of the local option tax levy. The Board is being asked to approve the contract award and delegate authority to the County Administrator to sign the contract with Moss Adams LLP for independent audit services ending June 30, 2023, with an additional one-year renewal option.

### III. BACKGROUND/IMPLICATIONS OF ACTION

#### A. Board Action and Other History

On June 7, 2022, the board approved the order (22-06-07-05) to award the contract to Moss Adams for auditing services. Staff intended to allow an additional two one-year renewal options. The June 7, 2022, agenda cover memo asked for a motion to “Move approval of Order 22-06-07-xx delegating authority for the County Administrator to approve the professional services contract with Moss Adams for one one-year term with an additional two one-year renewal option.”

During the audit of Fiscal Year 2023, Moss Adams pointed out that board order title 22-06-07-05 did not include the two one-year options. Staff consulted with the County’s legal office, and the legal office recommended a new board order be issued with the staff’s intent of two one-year renewal options.

The County has historically entered into contracts for independent audit services. In the past, the County has conducted extensive procurement processes for these services, ultimately selecting Moss Adams LLP based on its scope of services, convenience, and competitive pricing.

B. Policy Issues

Lane Manual Chapter 20 sets for the policy regarding award of grants contracts, and amendments for services and policy regarding signatory authority of the County Administrator. Obtaining audit and related financial services is consistent with County financial management policies (Lane Manual Chapter 4) and protection of County assets.

C. Board Goals

This item supports the Lane County Strategic Plan by providing accurate financial information to decision-makers to identify operating efficiencies/inefficiencies that support the larger goal of building a stable and sufficient strategy for funding services. This item also supports the Plan by ensuring resource accountability and fiscal quality to our taxpayers.

D. Financial and/or Resource Considerations

Based on the projected volume of financial transactions, the estimated fee paid under the agreement is approximately \$150,000 annually, with an annual CPI Index cap of 5%.

E. Health Implications

There are no health implications for this item.

F. Analysis

Deschutes County conducted a cooperative procurement for independent audit services, under which the services are available to all local public agencies. Cooperative contracts offer competitive pricing based on a large number of agencies being aggregated. Lane County can utilize the negotiated pricing, terms and conditions based upon Deschutes County cooperative purchasing agreement, and entering into a contract, which allows continuity in providing audit services to the standards required by the County.

ORS 279A.215 allows the County to establish a contract or price agreement through a permissive cooperative procurement as long as:

- a) Deschutes' solicitation and award process for the original contract is an open and impartial competitive process and uses source selection methods substantially equivalent to those specified in ORS 279B.055 or 279B.060.
- b) Deschutes' solicitation and the original contract allow other contracting agencies to establish contracts or price agreements under the terms, conditions, and prices of the original contract.
- c) The contractor agrees to extend the terms, conditions, and prices of the original contract to the purchasing contracting agency; and
- d) No material change is made in the terms, conditions or prices of the contract or price agreement between the contractor and the purchasing contracting agency from the terms, conditions and prices of the original contract between the contractor and the administering contracting agency.

Moss Adams LLP has performed services for the County under the contract in a manner that is acceptable to the County. Additionally, Moss Adams has provided appropriate financial consultation and recommendations relating to internal controls.

Since Lane County is proposing entering into this contract as a cooperative procurement, the County posted a public notice on May 26, 2022, of intent to establish a contract or price agreement with Moss Adams LLP through a permissive cooperative procurement.

G. Alternatives/Options

- 1. Approve the contract.
- 2. Do not approve the contract and direct staff to bring back additional options.

IV. RECOMMENDATION

Staff recommends approval of the contract. Moss Adams has worked in good faith in the

audit of the County's Fiscal Year 2023. It was the staff's intent last year to award a multi-year contract.

V. TIMING/IMPLEMENTATION

With Board approval, this contract for independent audit services becomes effective for the current fiscal year-end audit.

VI. FOLLOW-UP

Financial Services staff will process a contract for the County Administrator to sign.

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VII. ATTACHMENTS

Board Order

BEFORE THE BOARD OF COMMISSIONERS OF LANE COUNTY, OREGON

ORDER NO: 23-12-12-03

IN THE MATTER OF AWARDING A ONE-YEAR  
CONTRACT WITH AN OPTION FOR A ONE-  
YEAR RENEWAL FOR INDEPENDENT AUDIT  
SERVICES TO MOSS ADAMS LLP, AND  
DELEGATING AUTHORITY TO THE COUNTY  
ADMINISTRATOR TO SIGN THE CONTRACT

**WHEREAS**, Lane Manual Chapter 20 sets forth policy regarding the award of grants, contracts, and amendments for services and policy regarding the signatory authority of the County Administrator; and

**WHEREAS**, ORS 279A.205(2) authorizes contracting agencies to conduct, administer, or participate in a permissive cooperative procurement for any goods or services for contracts that do not include public improvements.; and

**WHEREAS**, Deschutes County conducted a procurement in accordance with ORS 279.215(1) and entered into an agreement with Moss Adams LLP, Deschutes County Contract No. 2022-310, that allows other public agencies to contract with Moss Adams LLP for the same services under the terms and conditions of the Deschutes County Contract; and

**WHEREAS**, the County is a public agency of the State of Oregon authorized to participate in a permissive cooperative procurement under Oregon law and

**WHEREAS**, County and Moss Adams LLP desire to enter into a contract for independent audit services under the terms and conditions of the Deschutes County contract and

**NOW, THEREFORE**, the Board of County Commissioners of Lane County ORDERS as follows:

1. That a contract for independent audit services be awarded to Moss Adams LLP and
2. That the County Administrator is delegated authority to sign the contract.

**ADOPTED** this 12th day of December, 2023.

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Pat Farr, Chair  
Lane County Board of Commissioners