

**HILLSBOROUGH AREA REGIONAL TRANSIT AUTHORITY**  
**AUDIT COMMITTEE MEETING**  
**Thursday, May 27, 2010, 3:00 PM**  
**1201 E. 7<sup>th</sup> Avenue, 3rd Floor, Hillsborough Conference room**  
**Tampa, FL 33602**

**Board Members Present**

(3)

Wallace Bowers  
John Byczek  
Michael York (via phone)

**Staff Members Present**

David Armijo  
Sylvia Berrien  
Luis Garsis  
Lisa Harris  
Brenda Mowen  
Lena Petit  
David Persaud  
Michael Stephens  
Ken Wagner

**Others Present**

Clark Jordan-Holmes, Joyner, Jordan-Holmes, P.A.

**CALL TO ORDER**

**Sign-In Sheets are attached.**

The meeting began at 3:06 p.m.

Brenda Mowen, HART Chief Administrative Officer, provided a summary of the process to select an external auditor for the annual financial audit. She discussed the process for issuing proposals and timeline. Ms. Mowen listed the media through which the solicitation was advertised that resulted in 16 firms downloading the solicitation and four responses submitted to HART. She explained the evaluation criteria and weight split of 70 percent for technical and 30 percent for pricing. Ms. Mowen outlined the composition of the Evaluation Committee, noting it was similar to past procurement practice. She indicated that the scoring received from the Evaluation Committee members was reviewed by HART Procurement staff to ensure that HART's Procurement policies were followed. Ms. Mowen said this review resulted in the decision to remove the scoring and comments submitted by one of the Evaluation Committee members. She mentioned that this, however, did not affect the ranking of the top two firms.

Chairperson Byczek asked what prompted staff to review the scoring of that individual on the Evaluation Committee.

Ms. Mowen responded that the individual did not follow the established process, and had considered the past performance of one of the offerors, which was reflected in his scoring and comments. She explained that the procurement process dictates that the Evaluation Committee is to evaluate the proposals as submitted and rank according to the criteria without considering possible past relations with any of the firms. Ms. Mowen drew the Committee members' attention to the ranking provided in the packet. She said that Crowe Horwath was ranked as number one. Ms. Mowen stated that the term of the contract is for two years with a one year option, not to exceed three years. She added that it is a firm fixed price contract that includes all typical HART provisions. Ms. Mowen also pointed out that Crowe Horwath is a large organization, in the top 10 of auditing firms in the nation.

Ms. Mowen reported that a bid protest has been received and is being processed in accordance with the protest procedures established by the Board of Directors. She explained that the contract award is currently stayed.

Chairperson Byczek asked why staff did not exercise a one year option provision of the current contract.

Ms. Mowen responded that during the last procurement the options were not competed even though the statute dictates to do a price competition on the optional years.

Chairperson Byczek asked why the present auditing firm did not receive higher technical scores even though their performance was good and pricing stayed the same.

Mr. Armijo noted that only the submitted proposals that are scored, and the fact that they did a good job for HART in the past should not affect the process.

Ms. Mowen remarked that Crowe Horwath's proposal was of better quality and more detailed. She said that the agreement will have termination clauses and other provisions that will allow HART to exit the agreement if staff is not satisfied with the auditor's performance. Ms. Mowen informed the Committee members that staff received a protest from one of the firms that submitted a proposal, and explained the process and procedures that are to be followed in this situation. She added that while a protest is pending, staff cannot award the contract. Ms. Mowen noted staff's finding that there was a violation of the procurement communication policy by one of the firms that is not recommended for the award, and that a separate investigation will be conducted to that effect.

Director Bowers said he would support staff's recommendation, and expressed a concern that the current auditing firm has performed well and has profound knowledge of the organization.

Mr. Jordan-Holmes advised the Committee members that they need to make a motion to recommend the top three ranking firms for the consideration by the full HART Board of Directors.

Chairperson Byczek asked if Crowe Horwath is a local firm or have local presence.

Mr. Jordan-Holmes mentioned that the federal law does not allow giving preference to local entities.

***Chairperson Byczek made a motion to recommend the top three ranking firms, following resolution of the protest, to the full HART Board of Directors for their review and authorization for the contract award. Director Bowers seconded. All Committee members present voted aye. The motion carried unanimously.***

***Director York supported the recommendation.***

## **ADJOURNMENT**

The meeting adjourned at 3:34 p.m.