

**COUNTY OF MILWAUKEE  
Inter-Office Communication**

**Date:** November 12, 2020  
**To:** Chairwoman Marcelia Nicholson  
**From:** Jennifer L. Folliard, Director of Audits  
**Subject:** Annual Countywide Audit Services 2020 – 2025

The Office of the Comptroller - Audit Services Division issued a request for proposal (RFP) on August 31, 2020 to solicit proposals for annual countywide audit services. Annual Countywide audit services include the following:

- Audit of County combined financial statements
- Single Audit of Expenditures of Federal and State Awards
- Audit of financial statements of the Employees' Retirement System
- Review of the financial statements/schedules required by Wisconsin Administrative Code
- Agreed upon procedures associated with the financial and statistical data submitted to the Federal Transportation Administration
- Agreed upon procedures associated with the Passenger Facility Charges report and revenue use as required by Federal Aviation Reauthorization Act
- Agreed upon procedures associated with the U.S. HUD submission by the Milwaukee County Housing Division
- Agreed upon procedures associated with the financial reports submitted to the Wisconsin DHS by the Milwaukee County BHD Wraparound Program
- Compliance report to the Airport Revenue Bond trustee

The scope of services is inclusive of five annual periods covering years ending December 31, 2020 - December 31, 2024, plus a one-year renewal option at the County's discretion.

RFP notification included direct contact with several firms, including 22 certified targeted business enterprise (TBE) firms provided to us by the Milwaukee County Community Business Development Partners Division. Additional notification was accomplished through the posting of the RFP on the Procurement Division website and in accordance with County Ordinances, it was advertised in the Daily Reporter.

A total of five proposals were received and an evaluation panel familiar with the countywide auditing process performed independent evaluations of the proposals based on specific criteria stated in the RFP. As a result of this evaluation, the firm of Baker Tilly US, LLP received the highest score.

Baker Tilly US, LLP, the firm most recently engaged to perform the countywide audit services, provided the following audit fee quotation with its proposal.

<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>Total</u>
\$350,475	\$361,078	\$372,980	\$384,483	\$394,853	\$406,522	\$2,270,391

Based on the results of the panel's evaluation and the following factors, I recommend that the contract for annual audit services for the years 2020 - 2024, which includes an additional one-year option to review at the County's discretion, be awarded to Baker Tilly US, LLP:

- The firm has performed the subject countywide audit services for the County over the past several years with a high level of quality and professionalism;
- The firm presented a thorough scope and solid approach to the audit and committed an experienced engagement team to provide the required services;
- The County has a goal of 17% for Targeted Business Enterprise (TBE) participation and Baker Tilly US, LLP made a 34% commitment of contract fees to TBE firms. It will be subcontracting with Coleman & Williams, LTD., a minority-owned CPA firm;
- Although the scope of services in the current RFP vary somewhat from those in the RFP issued in 2014, the total quoted maximum fee of \$2,270,391 for the period 2020 - 2025 are \$489,964 lower than the total quoted maximum fee of \$2,760,355 for the previous six years.

A County Board resolution is attached which would authorize the Audit Services Division to execute a contract with Baker Tilly US, LLP for annual countywide audit services over five years, plus a one-year renewal option at the County's discretion.

Please refer this memorandum to the appropriate Committee(s).



Jennifer L. Folliard

JLF/PAG/cah

#### Attachments

cc: Scott B. Manske, CPA, Milwaukee County Comptroller  
Supervisor Sequanna Taylor, Chair, Committee on Audit  
David Crowley, Milwaukee County Executive  
Julie Landry, Director, Department of Administrative Services  
Joseph Lamers, Budget Director, Department of Administrative Services  
Kelly Bablitch, Chief of Staff, County Board Staff  
Steve Cady, Policy and Research Director, Office of the Comptroller  
Janelle Jensen, Manager, Legislative Services Division