

Item No.: 5A

Date of Meeting: April 19, 2019



THE NORTHWEST
SEAPORT ALLIANCE
Gateway to Solutions

External Financial Auditor Contract Amendment

Background – Auditors

Type of Audit	NWSA	POS	POT
Annual Financial Audit	RSM	Moss	RSM
Single (Grant) Audit	RSM	Moss	RSM
Accountability Audit	SAO	SAO	SAO



Audit Contract

- In 2016, RSM awarded 3 yr. contract with a two-year extension option for audit services for annual financial audits (Restrictive procurement \$90,000).
- In 2017, SAO required financial audits comply with GAS and not GAAS (\$15,000).
- In 2018, SAO declined the single audit engagement. RSM engaged to perform single audit (\$15,000).



Audit Contract Recommendation

Both homeport accounting staffs support contract amendment to leverage learnings between auditor and auditee, lower audit risk, lower audit cost.

Contract increase for 2 years of \$125,500; total contract of \$245,500 for 5 years.

Per the Master Policy, the CEO is authorized to approve personal services contracts where the cost does not exceed \$300,000, cumulative with amendments.



RSM US LLP Contract

2016 - 3 Year contact (2016-2018)	\$ 90,000
2017 - Amendment - GAS	15,000
2018 - Amendment - Single Audit	15,000
Total	\$ 120,000
2019-2020 - 2 year Extension	92,500
2019-2020 - Single Audit	33,000
Grand Total Contract	\$ 245,500

Summary by Year						
	2016	2017	2018	2019	2020	Total
Financial Audit	\$31,000	\$31,000	\$43,000	\$45,000	\$47,500	\$197,500
Single Audit	0	0	15,000	16,000	17,000	48,000
Total	\$31,000	\$31,000	\$58,000	\$61,000	\$64,500	\$245,500



Request

Request authorization for the CEO to execute an amendment to contract number 070369 for financial audit services with RSM US LLP, for the exercise of a two year extension option and to expand the scope to include the single (federal grant) audit for the same audit periods thereby increasing the contract value by a not to exceed amount of \$125,500 (total contract value of \$245,500 for 5 years).

