



CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF THE CONTROLLER

Ben Rosenfield
Controller

Todd Rydstrom
Deputy Controller

May 9, 2016

Angela Calvillo, Clerk of the Board
Board of Supervisors
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco, CA 94102-4689

Dear Ms. Calvillo:

Attached please find an original and two copies of a proposed resolution for Board of Supervisors approval, which would select independent City Auditors, and would authorize the Office of the Controller to enter into a contract with Macias Gini & O'Connell (MGO) LLP. The MGO contract shall be for a term of four (4) years, with an option to renew for up to three (3) additional years, with a contract stated amount not-to-exceed \$9,388,686.

This contract is essential for the Office of the Controller's Accounting Operations & Systems Division (AOSD) to comply with City Charter Section 2.115 and California Government Code Sections 25250 and 25253 that require the City to have its annual financial statement audits performed by independent public accounting firms. Upon completion of the annual audits, the Comprehensive Annual Financial Report and corresponding management letters are provided to the Government Audit and Oversight Committee of the Board of Supervisors by the Controller's Office.

A Request for Proposal (RFP) was issued on October 30, 2015, and the City selected MGO as the highest qualified scorer pursuant to the RFP for the following entities and areas: The City's Comprehensive Annual Financial Report (CAFR), General City, Single Audit, and other funds; Employees' Retirement System (ERS); Redevelopment Agency (RDA) and Financing Authority/Successor Agency to RDA; Port of San Francisco; San Francisco Finance Corporation; Various State of California Project Grants; and Retiree Health Benefit Trust.

The following is a list of accompanying documents (three sets):

- Resolution
- Macias Gini & O'Connell LLP Agreement
- Form SFEC-126 for Macias Gini & O'Connell LLP

Given the importance of executing this Citywide agreement in order to comply with the City Charter and California Government Code, we would like to request that the 30-day hold period be waived, and that the Resolution be referred and scheduled with the appropriate committee as early as possible.

Please contact me with any questions. You may also direct questions to the Contracts Manager, Joyce Kimotsuki at (415) 554-6562 or Joyce.Kimotsuki@sfgov.org.

Sincerely,


Todd Rydstrom
Deputy Controller