



Date: January 12, 2021
Current Meeting: January 21, 2021
Board Meeting: January 28, 2021

BOARD MEMORANDUM

TO: Indianapolis Public Transportation Corporation Board of Directors
THROUGH: President/CEO Inez P. Evans
FROM: Deputy Director of Governance & Audit Brian Atkinson
SUBJECT: Consideration and Approval of Contract with Corey Saunders, CPA PLLC

ACTION ITEM A – 5

RECOMMENDATION:

In a manner consistent with IPTC contract award standards it is requested that the Board authorize the President/CEO to enter into contract with Corey Saunders, CPA PLLC for two (2) years with three one year options to provide consulting services and support of the Internal Governance and Audit Function for an amount not to exceed \$1,104,000 (approximately \$220,000 annually) for the life of the contract including options.

BACKGROUND:

The objective of this project is to provide IndyGo with on call consulting services supporting the ongoing establishment of IPTC's "Governance & Audit" (G&A) function. Utilizing Consulting services familiar with the G&A function provide immediate work product needed while IndyGo hires and trains staff over the next few years.

Deliverables are expected to include assistance with:

- Maintaining a Communication Plan to provide both formal and informal protocols for communicating with audit customers, IndyGo management, Governance & Audit Committee and Board members, and other stakeholders.
- Annual risk assessment and Internal Audit work program development.
- Assistance with establishing an internal audit project methodology that will provide the framework for each internal audit, consulting engagement, fraud investigation, or other such project that the Deputy of Governance and Audit may be asked to perform.
- Assist with designing the tools and templates necessary to successfully complete each Governance and Audit project, such as but not limited to:
 - Scoping memos
 - Work programs
 - Opening meeting agendas, status updates, and closing meeting agendas
 - Audit report templates
 - Governance & Audit Committee and Board updates
 - Post-audit customer service surveys
- Assess compliance with financial regulations and controls by executing audit program steps: testing general ledger account balances and trends/fluctuations; examining and analyzing records, reports, operating practices and documentation.
- Assess internal controls and process efficiency/effectiveness across a broad spectrum of operational areas, both transit-specific and otherwise.
- Assess risk and internal controls by identifying areas of non-compliance; evaluating manual and automated financial processes; identifying weaknesses and inefficiencies and operational issues.

- Complete audit working papers and memoranda by documenting audits tests and findings; drill down to investigate root causes of internal control breakdowns and opportunities for process improvement.
- Any other items that arise throughout discussions with current Governance and Audit staff and IndyGo leadership.
- Be available to serve as an ongoing resource for questions and consultations as issues arise. As a measure of client service and begin build a trusted advisory relationship with IndyGo.

DISCUSSION:

This solicitation was advertised with Mass Transit, IBJ and the Indy Star on October 13 and October 15. The solicitation was also placed on the IPTC website and registered vendors were notified. IPTC received bids from Baker Tilly, Crowe, Direct Pathway, Saunders LLC and Plante & Moran. The scoring of the Evaluation Committee reflects that Saunders LLC be deemed a quality vendor and was selected for recommendation based on the following criteria:

- Transit Audit Experience
- Cost
- Qualified and Experience of Professional Staff
- Reference Letters from companies with similar scope of work.

ALTERNATIVES:

The Board of Directors could choose not to approve the contract at this time. If an alternative respondent is selected there would be less transit audit experience at a greater cost. Not approving the consultant would most likely require two additional staff members with salary and benefits exceeding the cost of the consulting contract.

FISCAL IMPACT:

The total cost of this Contract including option years will not exceed \$1,104,000. The proposed quantity of hours annually is 1,000. The funding source for this procurement is provided from the Governance and Audit Department operating budget.

DBE DECLARATION:

As local dollars will be spent on this project, Corey Saunders, CPA PLLC has committed to a 15% WBE Goal and has partnered with the Bronner Group, a nationally recognized WBE firm certified in Indiana. Gila Bronner and her firm have extensive transit and internal audit experience, and an office in Indianapolis.

STANDING COMMITTEE DISCUSSION/RECOMMENDATION:

This action was not reviewed by the Finance Committee or Service Committee on January 21, 2021.