

# EL DORADO LAFCO

LOCAL AGENCY FORMATION COMMISSION

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## *AGENDA OF MARCH 24, 2010*

### *REGULAR MEETING*

**TO:** Ken Humphreys, Chairman, and  
Members of the El Dorado County Local Agency Formation  
Commission

**FROM:** José C. Henríquez, Executive Officer

**AGENDA ITEM #2F:** APPROVE THE FIRST AMENDMENT TO THE AUDITING  
CONTRACT BETWEEN LAFCO AND MATSON & ISOM

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#### **RECOMMENDATION**

Staff recommends that the Commission approve the First Amendment to the Auditing Contract between LAFCO and Matson & Isom for auditing services.

#### **REASON FOR RECOMMENDED ACTION AND BACKGROUND**

Past LAFCO practice has been to switch auditors every three years; however, through circulating three requests for proposals in the past four years LAFCO staff has found that auditing firms consider this agency either too small to bid or too similar to larger sized agencies requiring a significant amount of work. Firms in the latter category submit bids that are too large for the LAFCO budget to absorb. In addition, it is pretty evident from the RFP responses that few auditing firms understand LAFCO operations.

LAFCO currently has a contract with Matson & Isom for auditing services through Fiscal Year 2009-10. Their audits are comprehensive and comparatively reasonably priced. In addition, the firm also audits two other Northern California LAFCOs. Consistent with Commission direction given in a prior meeting, this First Amendment extends the Auditing Contract with Matson & Isom to two more years, expiring after the audit for Fiscal Year 2011-12 has been completed, unless subsequently amended.

#### **Attachment**

Attachment A: First Amendment to the Professional Services Agreement for Audit Services (LAFCO Resolution 2010-05)