



AGENDA STAFF REPORT

Control: 26001151

MEETING DATE: 04/28/2026

LEGAL ENTITY TAKING ACTION: Board of Supervisors

BOARD OF SUPERVISORS DISTRICT(S): All Districts

SUBMITTING AGENCY/DEPARTMENT: Auditor-Controller

DEPARTMENT CONTACT PERSON(S): Andrew Hamilton, 714-834-2457
Salvador Lopez, 714-834-2470

SUBJECT: Independent Auditing and Related Services Contract

CEO CONCUR Concur	COUNTY COUNSEL REVIEW Approve agreement to form	CLERK OF THE BOARD DISCUSSION 3 Votes Board Majority
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Budgeted: Yes	Current Year Cost: \$71,800	Annual Cost: FY 2026-27 \$720,201 FY 2027-28 \$742,424 FY 2028-29 \$687,735
Staffing Impact: No	Funding Source: See Financial Impact Section	Sole Source: No
Current Fiscal Year Revenue: N/A		County Audit in Last 3 years: No
Levine Act Review Completed? Yes		
Prior Board Action: N/A		

RECOMMENDED ACTION(S):

1. Authorize the County Procurement Officer or Deputized designee to execute MA-003-26010507 with Crowe LLP for independent auditing and related services effective May 1, 2026, through April 30, 2029, in a total amount not to exceed \$2,222,160, renewable for up to two additional one-year terms.
2. Authorize the County Procurement Officer or Deputized designee to exercise a contingency contract cost increase, not to exceed a total of 10% of the Contract amount for the audit year of the Contract, for the entire term of the Contract, including renewals, and within the scope of work set forth in the Contract.

SUMMARY:

Approval of Contract MA-003-26010507 with Crowe LLP will allow for continued independent auditing and related services for the County.

BACKGROUND INFORMATION:

On November 10, 2025, the Auditor-Controller posted a Request for Proposal (RFP) to procure independent auditing and related services for Fiscal Years (FY) 2025-26, 2026-27, and 2027-28. In accordance with the 2024 Contract

Policy Manual, the RFP stated that it is the County's intent to enter into a three-year contract for independent auditing and related services for three fiscal years, with an option to renew for a maximum of up to two additional one-year terms, upon review of performance and satisfactory renewal negotiations. The Auditor-Controller will seek approval for these extensions from the Board of Supervisors (Board) at the appropriate time.

Proposals were received from five certified public accounting firms. The proposals were reviewed by an RFP evaluation panel using the County’s 1,000-point scale. The members of the evaluation panel used evaluation forms listing job-related criteria developed prior to receipt of the proposals.

Following completion of the competitive procurement process, the County determined that Crowe, LLP achieved the highest overall evaluation ranking. Crowe, LLP demonstrated qualifications, relevant experience, and proposed approach met the County’s operational and technical requirements in a manner that best aligned with the evaluation criteria. While Crowe, LLP did not submit the lowest-cost proposal, its overall evaluation ranking and ability to meet the County’s needs provide the basis for recommending its selection over the lowest bidder pursuant to the 2024 Contract Policy Manual.

The RFP evaluation panel ranked the five firms in the following order:

1. Crowe, LLP
2. Eide Bailly, LLP
3. LSL, LLP
4. CliftonLarsonAllen, LLP (CLA)
5. The Pun Group, LLP

The results of the evaluation were completed on February 10, 2026, prior to the revisions to the Contract Policy Manual, and communicated to the Audit Oversight Committee in a memo dated March 26, 2026.

The Auditor-Controller is further requesting that the County Procurement Officer or Deputized designee be authorized to exercise a contingency contract cost increase, not to exceed 10% of the Contract amount for the audit year of the Contract, for the entire term of the Contract, including renewals and within the scope of work set forth in the Contract. This will allow for any increase in cost for additional testing and services that may be required from the course of the auditors' procedures without delays in issuing mandated reports. Any increase greater than the contingency total below will be submitted to the Board for approval.

This Contract does not currently include subcontractors or pass through to other providers. See Attachment B for Contract Summary Form. The table below provides a breakdown of estimated costs.

Deliverables	Estimated Cost to be Incurred in FY 2025-26	Estimated Cost to be Incurred in FY 2026-27	Estimated Cost to be Incurred in FY 2027-28	Estimated Cost to be Incurred in FY 2028-29	Contract Amount	10% Contingency Total
FY 2025-26	\$71,800	\$646,200	\$0	\$0	\$718,000	\$71,800
FY 2026-27	0	74,001	666,009	0	740,010	\$74,001
FY 2027-28	0	0	76,415	687,735	764,150	\$76,415
Total	\$71,800	\$720,201	\$742,424	\$687,735	\$2,222,160	\$222,216

The Contract is for auditing services for three fiscal years, but the payment for those services occurs across four fiscal years.

An analysis was completed to verify that the contract provides the County with personnel who are specially trained, experienced, expert and competent to perform the required special services in accordance with the law. The external

audit services described by this Contract must be provided by an independent accounting firm in accordance with the law and cannot be performed by County staff.

The Orange County Preference Policy is not applicable to this contract award.

The Contract is being presented for Board approval less than 30 days before the effective date due to extended negotiations with the selected vendor.

FINANCIAL IMPACT:

Appropriations for this Contract are included in the FY 2025-26 Budget for Budget Control 003, Auditor-Controller, and will be included in the budgeting process for future years. Billings to General Fund departments offset 60% of the costs and billings to over 65 Non-General Funds offset 40% of the costs.

This Contract includes the County's General Terms and Conditions including section 11. Termination. In addition to any other remedies or rights it may have by law, County has the right to immediately terminate this Contract without penalty with cause or after 30 days' written notice without cause, unless otherwise specified. Cause shall be defined as any breach of contract, any misrepresentation or fraud on the part of the Contractor. Exercise by the County of its right to terminate the Contract shall relieve County of all further obligations.

STAFFING IMPACT:

N/A

REVIEWING AGENCIES/DEPARTMENTS:

N/A

ATTACHMENTS:

Attachment A-MA-003-26010507

Attachment B-Contract Summary

Attachment C-RFP Final Scoring Summary