

CHABOT-LAS POSITAS COMMUNITY COLLEGE DISTRICT

May 15, 2012

Agenda Item: 5.3

Subject: Approval of Independent Audit Engagement Agreement - Matson & Isom

Background: A Request for Proposal for Independent Audit Services for the District Annual Financial Audit and Proposition 39 (Measure B) Bond Funds Audit was issued on February 3, 2009. The Bond Funds Audit includes both the financial as well as the performance audit.

Nystrom and Company, LLP was selected based on the strength of the proposal, input from the references and price competitiveness. The Board approved the initial three-year engagement with Nystrom and Company at its March 17, 2009 meeting. On October 1, 2011 Nystrom and Company merged with Matson & Isom. The combined firms were founded in 1948 and 1955 respectively. The two firms have 115 employees, 62 CPAs, and 120 years of combined experience. The District is served out of the Redding, California office. Matson & Isom is currently engaged as independent auditors for eleven California community college districts.

This proposed board action extends the engagement for an additional three years, through the 2013-14 fiscal year. The not-to-exceed fee for the audits for the year ending June 30, 2012 will be \$82,300. For the years ending June 30, 2013 and June 30, 2014, this fee will be adjusted by the COLA (unfunded) used in the apportionment calculations.

Recommended Action: That the Board of Trustees approves the proposed Independent Audit Engagement Agreements with Matson & Isom of Redding, California to audit all funds for the District, including Proposition 39 Funds, for the years ending June 30 2012, June 30, 2013, and June 30, 2014. It is further recommended that the Board authorize the Vice Chancellor, Business Services, to execute the agreements on behalf of the District.

Submitted: Lorenzo Legaspi/Date

Approved: Joel L. Kinnamon/Date

_____ APPROVED

_____ DISAPPROVED

_____ TABLED