

MEMO

Date: November 9, 2011

To: CCCERA Board of Retirement

From: Auditor RFP Ad Hoc Committee

Subject: Recommendation of External Auditor for CCCERA

MEETING DATE

NOV 09 2011

AGENDA ITEM

7

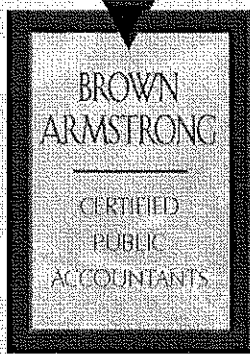
The Auditor RFP Ad Hoc Committee, comprised of Board members Debora Allen, Brian Hast, John Phillips, and Russell Watts, and staff members Vickie Kaplan, Rick Koehler, and Marilyn Leedom issued an RFP for Professional Auditing Services on September 30, 2011 to five interested firms as well as posted the RFP on CCCERA's Website. The deadline for responding to the RFP was October 28, 2011.

CCCERA received four completed RFP responses that were evaluated by the Committee to determine the responding firms' abilities to meet the mandatory criteria and their response to the technical proposal. The technical proposal consisted of (1) the audit planning and approach, (2) the bidding firm's experience and capabilities and (3) the assigned professional personnel's experience and qualifications. After the mandatory and technical aspects were evaluated, each Sealed Bid Cost Proposal was opened, reviewed and compiled with the overall evaluation. The Committee met on November 2, 2011 to compare evaluations, rate and rank the respondents and after discussion, select the most qualified firm to recommend to the full Board.

Brown Armstrong CPA's, from Bakersfield, California, was the top choice of the Committee and is contingent upon contract negotiation. The Committee was impressed with the thorough and professional response made by Brown Armstrong CPA's, their extensive experience in auditing 1937 Act Retirement Systems (currently audit 11 of the 20 "37 Act" systems) as well as the comprehensive work plan provided to meet CCCERA's required deadlines. It should also be noted that only one of the 11 audits is for a '37 Act system with the same December 31 year-end as CCCERA.

After the presentations and discussion, **it is the recommendation of the Auditor RFP Ad Hoc Committee that Brown Armstrong CPA's be retained as the Auditor for CCCERA for the 2011 Financial Audit and enter into a three (3) year contract with an option to renew for another three (3) years, subject to legal contract review.**





BROWN ARMSTRONG

Certified Public Accountants

November 3, 2011

Vickie Kaplan
Retirement Accounting Manager
Contra Costa County Employees' Retirement Association
1355 Willow Way, Suite 221
Concord, CA 94520-5728

Dear Ms. Kaplan;

This letter is in response to your request to provide an alternate to the engagement partner included in our proposal. Our proposal submitted on or about October 28, 2011, identified Andrew J. Paulden as the lead partner.

We are providing an alternative to replace Mr. Paulden with Ms. Rosalva Flores, CPA. Ms. Flores' qualifications and experience are included as attachment 1 to this letter and her resume is included as attachment 2 to this letter.

Please contact me if I can clarify or expand on any item contained in this letter. We appreciate the opportunity to provide you with the outstanding service you expect.

Sincerely,

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION

By: Andrew J. Paulden, CPA
Managing Partner

AJP:klm

Enclosures

\\A\PROPOSAL\2011\Retirements\Contra Costa County Employees Retirement Association\Rotation Letter.docx



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Accounting Oversight Board and
MEMBER of the American Institute of
Certified Public Accountants

ATTACHMENT 1

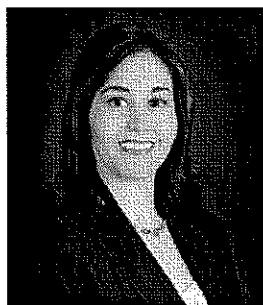
Engagement Partner: Ms. Rosalva Flores will be the engagement partner and manage the audit services provided to you as specified in the request for proposal. Ms. Flores has over twelve years of government audit experience and specializes in the audits of employee retirement systems, 1937 Act and pension plans. She currently is in charge of our audits of the City of Fresno Retirement Systems, Los Angeles City Employees' Retirement Association, and Sonoma County Employees' Retirement Association, as well as numerous other governmental audits. She actively participates in various professional organizations such as the State Association of County Retirement Systems, the California Association of Public Retirement Systems and the American Institute of Certified Public Accountants.

Ms. Flores enjoys working one-on-one with his clients and will be a "hands-on" partner with CCCERA.



ATTACHMENT 2

Resume of Rosalva A. Flores, CPA



**Partner
Brown Armstrong
Accountancy Corporation**

Academic Background:

California State University, Bakersfield, 1998
Bachelor of Science Degree in Business Administration
Concentration in Accounting

Summary of Experience:

Retirement Systems:

Presno City Employees' Retirement
Kern Schools Federal Credit Union Pension Plan
Los Angeles City Employees' Retirement Association
Kern County Employees' Retirement Association
Stanislaus County Employees' Retirement Association
Sonoma County Employees' Retirement Association
Ventura County Employees' Retirement System

401(k) Plans:

Derrel's Mini Storage - 401 (k) Plan
MBLA MuniServices - 401 (k) Plan
C-Martin - 401(k) Plan
Physician's Automated Laboratory - 401(K) Plan
Kern Schools Federal Credit Union 401 (k)
Community Medical Education & Research
Foundation Pension Plan
M. Caratan 401(k) Plan

Non-Profits:

Community Medical Education & Research
Foundation
Greater Bakersfield legal Assistance
Bakersfield Museum of Art
Rotary Club of Bakersfield
Rotary Waterman Foundation
Center for the Blind & Visually Impaired
First 5 Kern

Transit Districts:

Omnitrans
Central Contra Costa Transit Authority
Santa Cruz Metropolitan Transit
San Joaquin Regional Transit District
Kern Council of Governments

Health Care:

Kern Health Systems
Kern Medical Center
Heritage New York Medical Group
Heritage California Medical Group
Heritage Provider Network

Oil and Gas:

Marina RL, LLC
Pacific Process Systems

Agriculture:

A&P Growers, Inc.

Real Estate:

All American Mortgage

Professional Associations:

American Institute of Certified Public Accountants
California Society of Certified Public Accountants, Bakersfield Chapter
Hispanic Chamber of Commerce

Continuing Education:

GASB Updates, 2010-2011
Finding and Evaluating Fraud, 2010
Advanced Workshop for Implementation of New Audit Standards - 2008-2010
Accounting and Auditing Update - 2004, 2007-2010
Fraud Detection Seminar, 2010
Derivatives Seminar - 2007
Using Software to Uncover Fraud in an Audit - 2006
Governmental Accounting & Auditing Updates, 2005-2010
School District Conference - 2004-2010
Governmental Accounting & Auditing, Changes in Audit Standards, 2004-2010
Audits of Employee Benefit Plans - 2010
Audit Planning - Integrating Fraud - 2010
Governmental Accounting & Auditing - GASB 34, 2010
Deferred Compensation Update, 2010

Cities:

City of Bakersfield
City of Delano
City of Fresno
City of Madera
City of Indio
City of Visalia
City of Burlingame

Counties:

County of Kern
County of Kings

Special Districts:

Westside Mosquito & Vector Control District
Westside Cemetery District
Minter Field Airport District
Belridge Water Storage District
Kern Water Bank Authority
Rag Gulch Water District
Kern Tulare Water District
Mojave Public Utility District
Casitas Municipal Water District
Rosamond Community Services District

School Districts:

Kern High School District
Taft Unified School District
Richgrove Elementary School
Inyo County Office of Education
Death Valley School District
Owens Valley School District
Big Pine School District
Round Valley School District
Richland Union School District
Bakersfield City School District
Lamont School District
Allensworth Elementary School District
Dinuba School District
Maricopa School District
Fruitvale School District
Chowchilla Unified School District
Delano Union School District
California State University, Bakersfield
North Kern Vocational Training Center

University & Community College

Foundation & Auxiliary Organizations:
Kern Community College District



**BROWN ARMSTRONG
ACCOUNTANCY CORPORATION**

*Providing Auditing & Accounting
Services for 37 Years*