


County of Santa Clara
Board of Supervisors
Supervisory District Three
Supervisor Pete McHugh



BOS3 – 05 – 067

DATE: May 3, 2005

TO: Board of Supervisors

FROM: 
Pete McHugh
Supervisor, District 3

SUBJECT: Management Audit Services RFP Initial Assessment Process

RECOMMENDED ACTION

Consider recommendations relating to the initial assessment of proposals submitted in response to the request for proposals (RFP) for management audit services.

Possible Actions:

- a. Approve the membership of a panel of experts to conduct an initial assessment of the submitted proposals: (1) Debra Figone, Town Manager, Los Gatos, (2) Steve Jung, Director of Internal Audit for Stanford University, (3) Benny W. Lee, Director, Western Field Audit Office, U.S. Treasury, (4) Mark Linder, Assistant City Manager, City of San Jose, (5) William O'Brien, Lecturer at San Jose State and Santa Clara Universities, (6) Sally Thompson, Los Angeles Field Office Manager, U.S. General Accountability Office, and (7) Kay Winer, Deputy City Manager, City of San Jose.

- b.

Approve forms for use during the initial assessment process: (1) Expert Panel Member's Summary of Individual Firm's Assessment, (2) Expert Panel Member's Assessment of Evaluation Criteria for Individual Firm, (3) Checklist for Requested Proposal Elements, (4) Reference Check Form, (5) Reference Check Form of Licensing Agencies and Professional Associations.

REASONS FOR RECOMMENDATION

On March 22, 2005, the Board approved a Request for Proposals (RFP) for management audit services. The approved schedule has firms submitting proposals on April 29, 2005, and the Board deciding which firms to interview at the closed session on May 23, 2005. The Board will meet with representatives of those firms selected for interview on or about June 2, 2005 with a goal of approving a new contract before July 1, 2005. The approved RFP process includes an initial assessment process that involves a panel of management audit experts assessing each proposal on the RFP's evaluation criteria.

A. PROPOSED PANEL MEMBERS ARE MANAGEMENT AUDIT EXPERTS

I am recommending that the Board approve a panel of seven members. Proposed panel members Steven Jung and William O'Brien participated five years ago during the last management audit services RFP process. They and the five new proposed members are experts in management auditing as either producers or consumers. Attachment A provides more detailed background information than the short descriptions below.

1. Debra Figone, Town Manager, Town of Los Gatos

Debra Figone has served as Town Manager for Los Gatos since November 2000. Prior to joining Los Gatos, she was the Assistant City Manager for the City of San Jose for five years. She began her career with the City of San Jose where she has also been the Interim Director of Emergency Services, the Assistant Director of General Services and the Director of General Services. She is a leader and champion of continuous improvement at all levels of government operations.

2. Steve Jung, Director of Internal Audit for Stanford University

Steve Jung has spent the last eighteen years with Stanford University's Internal Audit Department where he has been the Director since November 1995. Prior to Stanford, he worked seventeen years at the American Institutes for Research (AIR), a non-profit educational research and behavioral science consulting firm. With AIR, he held positions of increasingly greater responsibility, including Principal Research Scientist, Group Director and Institute Director.

3. Benny W. Lee, Western Field Audit Office Director, U.S. Treasury

Benny Lee has been the Director of the Western Field Audit Office of the U.S. Treasury's Office of Inspector General since 1993. He has responsibility for planning and completing performance audits for all Treasury

bureaus west of the Mississippi. Prior to joining the U.S. Treasury, he spent ten years as a Senior Evaluator with the San Francisco Field Office of the U.S. Government Accountability Office. In that role, he planned and completed policy, program and operational audits of various federal agencies and operations.

4. Mark Linder, Assistant City Manager, City of San Jose

Mark Linder became the Assistant City Manager for San Jose in 2002 after serving as Director of the City's Parks, Recreation and Neighborhood Services Department since 1997. Before joining San Jose in 1995 as a Deputy City Manager, Mark had been the Assistant Town Manager with the Town of Los Gatos for four years. Prior to his public sector career, Mark worked as an organization and leadership consultant for Dale Watson and Associates and as a General Manager for Allstate Investment Corporation.

5. William O'Brien, Lecturer at San Jose State and Santa Clara Universities

William O'Brien started his professional career with Price Waterhouse in 1970. He then moved on to Intel Incorporated where he was the Controller of an operating division. He also held senior financial management positions at ROLM Corporation, Superwave Technology, and Tangent Systems Corporation. In 1992 he joined the faculties of San Jose State University and Santa Clara University where he is a lecturer in their business schools. He teaches courses to both undergraduates and graduate students and his areas of specialization and interest include operational audits.

6. Sally Thompson, Los Angeles Field Office Manager, U.S. General Accountability Office

Sally Thompson joined the U.S. General Accountability Office (GAO) in January 2001 from the Department of Agriculture (DA). With the GAO, she directs the local field office's financial management and assurance team. At the DA she served as its Chief Financial Officer for three years. Before joining the federal government, she served two terms as the Treasurer for the State of Kansas. She also worked for seven years as an audit manager for Touche Ross and Company.

7. Kay Winer, Deputy City Manager, City of San Jose

Kay Winer joined the City of San Jose as a Deputy City Manager in 1997 and currently has oversight responsibility for department that provide strategic support to other City departments. These strategic support departments include Employee Services, Finance, General Services and Retirement. Prior to coming to San Jose, Kay was the Assistant City Manager for Tallahassee, Florida and the Director of Planning, Building and Code Enforcement for the City of Oakland.

B. PROPOSED INITIAL ASSESSMENT PROCESS FORMS CONSISTENT WITH RFP

The expert panelists will complete a set of rating and comment forms on each firm as part of the initial assessment process (Attachment B). This process also involves two other activities. Committee staff in the Offices of District Three

will check each proposal against the RFP's proposal requirements (Attachment C). Staff members from District Four will join them to conduct reference checks with the firm's former or current clients and the professional associations to which the firm belongs (Attachment D).

The proposed forms for these three activities are updated versions of the forms the Board approved five years ago. The Board will receive the completed forms on each firm before the Board meets to decide which firms to interview. I recommend that the Board approve these forms since they reflect those used successfully five years ago.

ATTACHMENTS

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- Attachment A – Statements of Qualifications for Expert Panelists
- Attachment B – Rating and Comment Forms for Expert Panelists
- Attachment C – Checklist of RFP Proposal Requirements
- Attachment D – Reference Check Forms