

**SOUND TRANSIT
STAFF REPORT**

MOTION NO. M2003-57

Moss Adams Associates Contract Amendment

Meeting:	Date:	Type of Action:	Staff Contact:	Phone:
Finance Committee	5/15/03	Discussion/Possible Action to Recommend Board Approval Action	Hugh Simpson, Finance Director	(206) 398-5082
Board	5/22/03		Kelly Priestley, Controller	(206) 398-5479

Contract/Agreement Type:		Requested Action:	
Competitive Procurement	3	Execute New Contract/Agreement	3
Sole Source	3	Amend Existing Contract/Agreement	3
Memorandum of Agreement		Contingency Funds Required	
Purchase/Sale Agreement		Budget Amendment Required	

4 Applicable to proposed transaction.

OBJECTIVE OF ACTION

To amend the existing sole source contract with Moss Adams Associates to continue the accounting support services until the completion of the recruitment for an Accounting Manager, bridging the staff vacancy created by the departure of the manager responsible for the Treasury Division.

ACTION

Authorizing the Executive Director to execute a contract amendment with Moss Adams Associates to continue to provide accounting support services in the amount of \$80,001 for a new total authorized contract amount not to exceed \$180,000 and extending the contract date from May 31, 2003 to July 31, 2003.

KEY FEATURES

- Authorizes the Executive Director to execute a contract with Moss Adams Associates to provide accounting support services for the Accounting and Treasury Division for an amount not to exceed \$80,001, with a new total contract amount not to exceed \$180,000.
- Scope includes support and guidance of accounting and treasury staff as assigned, including but not limited to payroll, accounts payable, accounts receivable, cash collections, general ledger, regional fare integration and revenue staff. In addition, special projects have been assigned related to the OneWorld software modules for payroll and human resources.
- Provides for timely support of the Controller, Chief Financial Officer and Deputy Chief Financial Officer, including, but not limited to, the month-end close of the general ledger and production of the month-end financial reports, and assisting the Budget Division in the analysis of month-end variances.

- Given the complex nature of the agency's accounting and financial information systems, Moss Adams is uniquely suited to providing these services due to past assistance related to the OneWorld system implementation as well as year-end accounting support. This knowledge is especially invaluable given the departure of a key manager and a number of new staff members within the Accounting and Treasury Division, reducing the risk of major omission or error.
- The year-end and state audits required a substantial level of effort, such as preparation and review of working papers and significant year-end analysis support. With the successful completion of these audits, the recruitment is now moving forward and should be completed by July 31, 2003.

BUDGET IMPACT SUMMARY

Project Description: Accounting & Treasury Support

Current Status: In progress

Projected Completion Date: July 31, 2003

Action Outside of Adopted Budget:	Y/N	Y	Requires Comment
This Line of Business	N		
This Project	N		
This Phase	N		
This Task	N		
Budget amendment required	N		
Key Financial Indicators:	Y/N	Y	Requires Comment
Contingency funds required	N		
Subarea impacts	N		
Funding required from other parties other than what is already assumed in financial plan	N		

N = Action is assumed in current Board-adopted budget. Requires no budget action or adjustment to financial plan

BUDGET DISCUSSION

These costs will be charged to Finance and Information Services department. The department has sufficient budget to cover these costs in the adopted 2003 Budget.

REVENUE, SUBAREA, AND FINANCIAL PLAN IMPACTS

The proposed action is consistent with the current Board-adopted budget and is affordable within Sound Transit's current long-term financial plan and the subarea financial capacity.

SUMMARY FOR BOARD ACTION

Summary for Board Action

Action Item: Accounting Services/Moss Adams

	(A) Current Approved Contract Value	(B) Spent to Date+ Estimate for remainder of 2003	Balance	(C) Proposed Action	(D) Proposed Total Contract Value
Contract Budget:					
Accounting Services	99,999	106,500	(6,501)	80,001	180,000
Contingency					-
Total	99,999	106,500	(6,501)	80,001	180,000
Percent Contingency	0%			0.00%	0.00%

Accounts to be charged:	Budget	Future Staff Budgets	to Projects	Total
Financial Accounting - Consulting Services	60,000	-		60,000
Treasury - Consulting Services	36,000			36,000
				-
TOTAL CONTRACT CHARGES:	96,000	-	-	96,000

Approximately \$95,000 has been paid to date. Costs of \$106,500 have been incurred, resulting in \$6,500 having been spent over the original contract amount.

The contract will be funded with saving in other accounts in the two divisions, primarily salary savings.

M/W/DBE – SMALL BUSINESS PARTICIPATION

This contract and this proposed amendment are 100% subcontracted with an M/W/DBE.

HISTORY OF PROJECT

With the departure of the agency's Treasurer in October of 2002, the Sound Transit entered into a sole source contract with Moss Adams to secure very specialized accounting expertise to temporarily fill this vacancy. The contract secured the services of a consultant who had extensive experience with the agency during the implementation and training years and great familiarity with Sound Transit's financial systems. The consultant's responsibilities included: assisting in the support and guidance of Accounting and Treasury Division staff, reviewing and approving account reconciliations, researching and implementation of payroll Electronic Software Updates (ESU's), assisting with year-end process, including schedules, reconciliation and financial statement preparation, providing guidance to treasury staff on expansion of revenue collection processes, coordinating development and issuance of Accounting Division policies and procedures.

Prior Board or Committee Actions and Relevant Board Policies

Motion or Resolution Number	Summary of Action	Date of Action
	No previous action taken.	

CONSEQUENCES OF DELAY

Rely on existing staff to complete month end close, likely resulting in delays in the release of monthly reports and an exposure to higher risk of error in reported information. Lower level of support and direction to staff and increased burden on existing accounting and financial managers.

Reduces Accounting and Treasury Division's ability to support other agency financial information requirements.

REGIONAL PARTNERSHIP AND COOPERATION

Not applicable.

PUBLIC INVOLVEMENT

Not applicable.

LEGAL REVIEW

MMB 5/06/03

SOUND TRANSIT

MOTION NO. M2003-57

A motion of the Board of the Central Puget Sound Regional Transit Authority authorizing the Executive Director to execute a contract amendment with Moss Adams Associates to continue to provide accounting support services in the amount of \$80,001 for a new total authorized contract amount not to exceed \$180,000 and extending the contract date from May 31, 2003 to July 31, 2003.

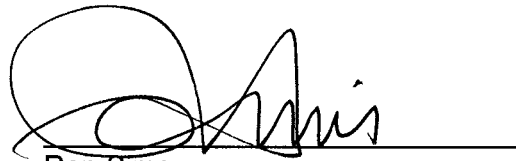
Background:

With the departure of the agency's Treasurer in October of 2002, the Sound Transit entered into a sole source contract with Moss Adams to secure very specialized accounting expertise to temporarily fill this vacancy. The contract secured the services of a consultant who had extensive experience with the agency during the implementation and training years and great familiarity with Sound Transit's financial systems. The Consultant's responsibilities included: assisting in the support and guidance of Accounting and Treasury Division staff, reviewing and approving account reconciliations, researching and implementation of payroll Electronic Software Updates (ESU's), assisting with year-end process, including schedules, reconciliation and financial statement preparation, providing guidance to the Treasury Division staff on expansion of revenue collection processes, coordinating development and issuance of Accounting Division policies and procedures.

Motion:

It is hereby moved by the Board of the Central Puget Sound Regional Transit Authority authorizing the Executive Director to execute a contract amendment with Moss Adams Associates to continue to provide accounting support services in the amount of \$80,001 for a new total authorized contract amount not to exceed \$180,000 and extending the contract date from May 31, 2003 to July 31, 2003.

APPROVED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on May 22, 2003.



Ron Sims
Board Chair

ATTEST:



Marcia Walker
Board Administrator