

**REPORT FROM EVALUATION COMMITTEE FOR COST ALLOCATION PLAN AND INDIRECT
COST RATE PROPOSAL SERVICES – RFP #9299**

Committee Members:

Pedro Rivera, Senior Budget Analyst, Finance Department
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Jean Thomas-Runnels, Senior Buyer, Facilitator

BACKGROUND:

The goal of this Request for Proposal (RFP) was to solicit proposals for Cost Allocation Plan (CAP) and Indirect Cost Rate Proposal (ICRP) services for the City of Fresno. The annual submission of a CAP to the City's cognizant agency, the U.S. Department of Transportation – Federal Transit Administration, is a federal requirement for the City and its purpose is to accurately, fairly and reasonably allocate central services costs (City Clerk, Personnel Services, Finance, Attorney, etc.) to operating departments. The annual submission of departmental/programmatic ICRPs is also required for the reimbursement of indirect costs of federal programs and the purpose of an ICRP is to identify, analyze, and allocate departmental indirect costs to federal programs. 16 proposals were sent out and one was received and opened on Tuesday, August 12, 2014. In an attempt to identify why only one proposal was received, an inquiry was sent out to proposers asking why they had not submitted a proposal. Responses included: specialized nature of the requested services, internal staffing shortages and bid bond requirements. This proposal would be for three (3) years with two (2) one-year renewal increments.

Evaluation by Committee:

The committee selected MGT of America, Inc. as the proposal met all of the criteria set forth in the RFP and was the sole bidder for this project. The proposal pricing for CAP and ICRP services is \$23,000, which is \$750, or approximately three (3%) percent, lower than the current contract pricing with the City's current supplier Maximus, Inc. MGT of America, Inc. provided three references, and all references were contacted. The responses given for their overall service were excellent. In addition, staff contacted MGT of America, Inc. for supplemental information regarding their experience in obtaining federal approval for CAP and ICRPs, post federal submission audit support and general clarification. MGT of America, Inc.'s response to the inquiry was prompt and addressed the panels concerns. Within their response the proposer indicated that they have shepherded several cities through federal CAP and ICRP audits and provided additional references to validate their federal audit support. Their submitted financial information was reviewed by the Airports Department.

Conclusion:

The Committee recommends the award of a three (3) year contract with provisions for two (2) one-year extensions to MGT of America, Inc. in the amount of \$23,000.00 per year. This proposal meets all the RFP requirements. They demonstrated that their service would be the best value for the City, and that they have the ability and commitment to meet the needs of the City.

See attached

Summary of Information Submitted by Proposers