

**AUDIT COMMITTEE OF THE  
ARIZONA COMMERCE AUTHORITY BOARD OF DIRECTORS**

**PUBLIC MEETING MINUTES**

**Tuesday, March 20<sup>th</sup> at 1:30 P.M.  
118 North 7<sup>th</sup> Avenue, Suite 400 Phoenix, AZ 85007  
(Members of the Committee appeared telephonically)**

**I. Call to Order and Roll Call**

Audit Committee Chair Victor Smith called the Arizona Commerce Authority Audit Committee to order at 1:32 p.m. The meeting was noticed and properly posted. Quorum of voting members present.

Committee Members present via conference call

Victor Smith, Chairman  
David Goldstein, Member  
Dr. Taylor Lawrence, Member

ACA Staff present

Ken Burns, CFO  
Gail Stelling, Controller  
Jamie Hogue, SVP Operations

**II. Welcome**

**III. Approval of September 25, 2017 Meeting Minutes\***

Mr. Goldstein moved to approve the minutes of the September 25, 2017 meeting. Dr. Taylor Lawrence seconded. Motion approved.

**IV. Items for Discussion and Possible Action**

**A. Review of Request-for-Proposal Responses for External Audit Services**

Chairman Smith asked Ken Burns to provide the committee members an overview of the Request-for-Proposal Responses.



Mr. Burns indicated that the ACA sent notifications of the procurement to 500 vendors. As a result, 39 vendors viewed the procurement information and seven submitted formal responses.

The members of the Evaluation Committee, consisting of Mr. Burns, Gail Stelling and Jamie Hogue, reviewed and scored the seven responses. As a result of the evaluation process, three finalists were identified - CliftonLarsonAllen, LLP, Henry & Horne and Heinfeld, Meech & Co., PC. The Evaluation Committee conducted in-person interviews with the finalists excluding the incumbent firm, CliftonLarsonAllen.

Mr. Burns stated the Evaluation Committee's recommendation to the Audit Committee is for the ACA to continue utilizing CliftonLarsonAllen, LLP for external audit services and outlined several reasons for the recommendations:

- CliftonLarsonAllen, LLP is familiar with the unique structure and reporting requirements of the ACA
- CliftonLarsonAllen, LLP has significant experience conducting audits for units of the State of Arizona
- CliftonLarsonAllen, LLP has the depth of local professionals necessary to support the ACA
- CliftonLarsonAllen, LLP will utilize a 3-tiered internal partner review process that was not offered by other vendors

Mr. Burns informed the Committee that the ACA was impressed with the other two firms and would place those firms on a list of qualified vendors allowing the organization access to their services, if needed, without having to engage in another request-for-proposal process.

Mr. Goldstein commended ACA staff for the analysis completed and expressed his support for retaining CliftonLarsonAllen, LLP.

Dr. Lawrence indicated that he was happy to see that the competition created by the process resulted in a potential cost savings for the ACA. He also indicated that he supported retaining CliftonLarsonAllen, LLP.

#### **B. Approval of External Audit Services Vendor\***

Dr. Lawrence made a motion to retain CliftonLarsonAllen, LLP to provide external audit services to the ACA. Mr. Goldstein seconded. Motion carried.

#### **V. Call to the Public**

Chairman Smith made a call to the public and members of the committee for any additional comments or questions. None heard.

**VI. Adjournment**

Mr. Goldstein made a motion to adjourn. Dr. Lawrence seconded. Motion carried. Meeting adjourned at 1:41 p.m.