



**CITY OF WESTLAKE, OHIO
ORDINANCE NO. 2015-143:**

AN ORDINANCE AUTHORIZING THE MAYOR TO ENTER INTO AN EXTENSION AGREEMENT WITH CIUNI & PANICHI, INC. AND THE AUDITOR OF STATE AS TO AUDITING SERVICES FOR THE CITY OF WESTLAKE FOR THE PERIOD JANUARY 1, 2015, THROUGH DECEMBER 31, 2018, AND DECLARING AN EMERGENCY.

WHEREAS, the City of Westlake, as a political subdivision of the State of Ohio, must have their financial records audited yearly by the State Auditor's Office; and

WHEREAS, for the fiscal years 2015, 2016, 2017 and 2018, the State Auditor has informed the City that the audits will once again be conducted by an Independent Public Accounting Firm; and

WHEREAS, the Director of Finance, with the concurrence of the Mayor, has recommended that the Agreement with Ciuni & Panichi, Inc. and the Auditor of State, authorized by Ordinance No. 2012-20, should be extended through 2018 for the performance of professional services related to audit of the City of Westlake; and

WHEREAS, this Council finds that the proposed Agreement is not subject to competitive bidding pursuant to Article V, Section 5(b) in the Charter of the City of Westlake.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF WESTLAKE, COUNTY OF CUYAHOGA AND STATE OF OHIO:

Section 1: That the Mayor be and he is hereby authorized and directed to enter into an Extension Agreement for the fiscal years 2015 through 2018 for auditing services related to the Financial Records of the City of Westlake with Ciuni & Panichi, Inc. and the Auditor of State under the terms and conditions as set forth in the Agreement attached hereto as Exhibit "A."

Section 2: That the Director of Finance be and he is hereby authorized and directed to issue warrants of the City of Westlake to Ciuni & Panichi, Inc. in accordance with the Agreement upon the approval of the Mayor.


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Section 3: The hiring of Ciuni & Panichi, Inc., as set forth in Section 1, is contingent upon approval by the Ohio State Auditor's Office.

Section 4: That it is found and determined that all formal actions of this Council concerning and relating to this legislation were adopted in an open meeting of this Council and that all deliberations of this Council and of any of its committees that resulted in such formal action were in meetings open to the public in compliance with all legal requirements including Section 10, Article XI of the Charter of the City of Westlake and Section 121.22 of the Ohio Revised Code.

Section 5: That this legislation is hereby declared to be an emergency measure immediately necessary for the preservation of the public health, safety and welfare, and for the further reason that it is immediately necessary to provide for auditing services for the Financial Records of the City of Westlake, and further provided it receives the affirmative vote of two-thirds of all members elected to Council, it shall take effect and be in force immediately upon its passage and approval by the Mayor.

Passed: 11/5/15




Michael F. Killeen
President of Council

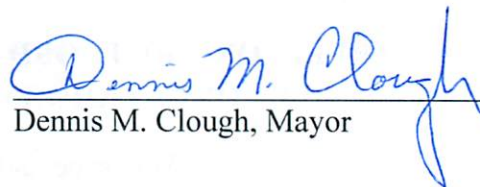
Presented to Mayor: 11/6/15

Approved: 11/15/15

ATTEST:



Denise L. Rosenbaum, Clerk of Council



Dennis M. Clough, Mayor

I, Denise L. Rosenbaum, Clerk of Council of the City of Westlake do hereby certify that Ordinance/Resolution no. 2015-143 adopted 11/5/15 was duly posted on 11/16/15 and remained posted for a period of 15 days thereafter in not less than 2 of the most public places in the City as determined by the Charter of said City.



Dave Yost • Auditor of State

EXTENSION AGREEMENT

This Agreement between Auditor of State Dave Yost (Auditor), City of Westlake, Cuyahoga County (Public Office), and Cluni & Panchl, Inc., an independent public accountant (IPA), extends an existing agreement between these parties as identified in SECTION I below and incorporated herein by reference. These parties agree to abide by all terms and conditions of the original agreement, except as specifically identified in Section II below, and that no remuneration will be granted in relation to work performed under this modification/extension prior to the execution of this Agreement by all parties.

SECTION I – ORIGINAL CONTRACT INFORMATION

Public Office Name on RFP	<u>City of Westlake</u>		
Original Contract Period	<u>January 1, 2011 through December 31, 2014</u>		
Date RFP was issued	<u>December 7, 2011</u>	Date MOA Executed	<u>February 10, 2012</u>
Public Office Contact	<u>Prashant Shah</u>	E-mail	<u>pshah@cityofwestlake.org</u>
IPA Contact	<u>Rhonda Hall</u>	E-mail	<u>rhall@cp-advisors.com</u>

SECTION II – EXTENSION INFORMATION

Extension Period: January 1, 2015 to December 31, 2018
 Check one: Annual Audit or Biennial Audit

The RFP and related contract are hereby amended for the audit periods noted above as follows:

Please note: Underlined language represents additions to original contract.

Work Papers, Work Product, and Records Retention

The IPA will maintain all engagement documentation in segregated files. The IPA agrees to provide the Auditor of State unconditional access to examine and review engagement documentation created or obtained by the IPA involving its performance under the contract. The IPA agrees to provide copies of any engagement documentation determined necessary by the Auditor of State. The Auditor of State is bound by ORC 4701.19, which provides that an IPA's engagement documentation remains the property of the IPA, even in the possession of the Auditor of State's office, and are not public records available for public disclosure. In the case of support for a finding for recovery, the Auditor of State may request the IPA to sign a limited waiver of this statutory provision. The IPA also will maintain and provide access to timesheets and expense reports that support the IPA's invoices under the contract. All such engagement documentation, timesheets, and expense reports shall be retained by the IPA for a period of five (5) years from the date of completion of the contract.

SECTION II – EXTENSION INFORMATION (continued)

Review of Reports and Work Papers - Access to / Retention Thereof

Furthermore, should it be necessary for AOS to send a notice of proposed finding regarding a potential finding for recovery, AOS will require the IPA to execute a limited waiver, to be prepared by AOS. It is the AOS' policy to allow the individual subject to the proposed FFR to review the engagement documentation (i.e. work papers) on which the proposed finding is based. Since Ohio Rev. Code § 4701.19 provides that an IPA's engagement documentation remains the property of the IPA, even in the possession of the AOS, it is necessary for the IPA to execute the limited waiver for the sole purpose of permitting AOS to show supporting documents (i.e. work papers) to those subject to proposed findings for recovery.

Contract Modifications

Modifications should only be requested for issues which were not known at the time of the original proposal, including but not limited to, changes in accounting or professional standards, changes in reporting entity, significant changes in funding, etc. IPA firms must complete the Modification Agreement Form, after any necessary discussions with the Auditor of State representative, and obtain Public Office approval. The Auditor of State will review, and if determined appropriate, approve the signed Modification Agreement, which will set forth the terms of the contract between the Auditor of State, the Public Office, and the firm. Such agreement must be executed by the Auditor of State prior to the performance of any additional work. No remuneration will be granted in relation to work performed prior to execution of such agreement. Any additions or reductions to the work agreed to between the Public Office and the firm shall be at an hourly rate that will not exceed the average hourly rate for the corresponding fiscal period set forth in the schedule of fees and expenses included in the sealed dollar cost bid, except in limited circumstances approved by the Auditor of State where the total cost for the audit period does not exceed the original proposed amount. The Modification Agreement Form is available on the Auditor of State's website.

Date Final Report is Due

It is anticipated this process will be completed and the final report delivered by June 30th for each engagement period of the contract. The final report package should be e-mailed to ipareport@ohioauditor.gov no later than this date.

Affirmations

The IPA shall mark "Affirmed" or "N/A," as applicable, for each of the affirmations noted in the attached Mandatory Elements Form.

Cost: Refer to the attached Schedule of Professional Fees and Expenses for details related to the costs associated with this Extension.

SECTION III – RECITALS/APPROVAL

Due to the need for a contract extension, as stated in SECTION II above, the parties with intent to be legally bound agree as follows:

1. IPA shall, in the performance of its engagements related to the Public Office for the fiscal period(s) set forth in the original Contract, previous Modification Agreements, and in this Agreement, perform all engagement work as set forth in the original Memorandum of Agreement, previous Modifications Agreements and in this Agreement;
2. The performance of the engagement work provided for in this Agreement, and all related payments provided for herein, shall in all respects be subject to the terms and conditions set forth in the original Contract;
3. Should this extension result in the total hours of the contract to exceed the threshold established for use of a MBE/EDGE subcontractor, the IPA shall follow all minority participation and other relevant requirements of the original contract. If applicable, the required MBE/EDGE subcontractor with respect to this Agreement will be:

Subcontractor: _____

Address: _____

4. Should this extension involve the use of other subcontractors, the IPA shall follow all relevant requirements of the original contract. If applicable, the other subcontractor with respect to this Agreement will be:

Subcontractor: _____

Address: _____

In the event of any conflict or inconsistency between the provisions of this Agreement and the parties' prior contract, the provisions of this Agreement shall control in all respects.

IN WITNESS WHEREOF, Auditor, Public Office and IPA have executed this agreement.

Ciuni & Paucchi, Inc.

Date

Legislative Authority or Designee for the City of Westlake

Date

Auditor of State

Date