

RESOLUTION NO.: 74 -2011
INTRODUCED BY: Alexander & Headen

A RESOLUTION TO AUTHORIZE A CONTRACT WITH THE AUDITOR OF THE STATE OF OHIO FOR ADDITIONAL CONSULTATION SERVICES.

WHEREAS, the City wishes to procure professional consulting assistance related to its bank account reconciliations and fiscal reporting functions, which services can be provided pursuant to the letter agreement from the Auditor of State's Local Government Service Section attached hereto and incorporated herein as Exhibit A and at a reasonable cost; and

WHEREAS, it is determined that the proposal from the Auditor of State is the most appropriate proposal for this consultation work;

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Richmond Heights, State of Ohio, that:

Section 1: The Mayor is authorized to execute the letter agreement attached hereto as Exhibit A with the Auditor of the State of Ohio for the services set forth therein in a total amount not to exceed \$4,000.00, and any additional work which would require an expenditure of funds above the \$4,000.00 shall be approved by this Council.

Section 2: The Director of Finance is authorized and directed to appropriate to a proper account the funds necessary for the agreement authorized in Section 1 of this Resolution.

Section 3: It is found and determined that all formal actions of this Council concerning and relating to the adoption of this Resolution were adopted in an open meeting of this Council, and that all deliberations of this Council and 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 121.22 of the Ohio Revised Code.

Section 4: This Resolution shall take effect and be in force from and after the earliest period allowed by law.

PASSED: _____

Daniel J. Ursu, Mayor

APPROVED: _____

ATTEST: _____

Betsy Traben
Clerk of Council

David H. Roche
President of Council

EXHIBIT A



Dave Yost • Auditor of State

November 15, 2011

Ms. Lynda Rossiter, Fiscal Officer
City of Richmond Heights
457 Richmond Road
Richmond Heights, OH 44143

Dear Ms. Rossiter:

This letter is to confirm our understanding of the services to be provided to the City of Richmond Heights by the Local Government Services Section (LGS) of the Office of the Auditor of State.

This document sets forth the terms of the Agreement between the City of Richmond Heights and LGS. The effective date of this Agreement shall be the date it is approved and will extend through December 31, 2011.

The scope of the work to be performed under this Agreement is to provide consultation services to the Fiscal Officer of the City of Richmond Heights as it may relate to their job duties, additional work necessary to complete the GAAP financial statements and other statutory requirements relating to the accounting and reporting functions of the City. The consultant will not engage in any function of management or make management decisions of City of Richmond Heights that would impair the independence of the Office of the Auditor of State.

To demonstrate that the City is fulfilling these responsibilities, the following safeguards will be observed. The City will designate a management level individual to be the primary contact accountable for overseeing this engagement and who will take responsibility for the appropriateness of the results of this engagement. If the City has determined that someone other than the individual with whom we worked last year will fulfill this role, the City must submit documentation to support the new designee's knowledge and capability to perform this function. We will meet with this individual bi-weekly to update our progress and to allow the individual to monitor engagement performance to ensure it meets management's objectives. This individual will perform all management functions and make all management decisions related to this conversion and compilation and will accept full responsibility for such decisions. Accordingly, this individual will review and approve all proposed adjustments before they are entered in the conversion software. Finally, this individual will evaluate the adequacy of the services performed under this engagement by the Local Government Services Section of the Office of the Auditor of State. It is also the City of Richmond Heights' responsibility to establish and maintain internal controls, including monitoring ongoing activities.

It is understood and agreed that the performance of this engagement by LGS will not lessen the scope and extent of the audit work to be performed by the Financial Audit Group of the Office of the Auditor of State.

Local Government Services Section
88 East Broad Street, Sixth Floor, Columbus, Ohio 43215-3506
Phone: 614-466-4717 or 800-345-2519 Fax: 614-728-8027
www.auditor.state.oh.us

Ms. Lynda Rossiter
Finance Director
City of Richmond Heights
November 15, 2011
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All documents provided to LGS in connection with our services including financial records and reports, payroll records, employee rosters, health and medical records, tax records, etc. must be redacted of any personal information before submission. Personal information is defined as social security numbers, dates of birth, drivers' license numbers or financial institution account numbers associated with an individual. The City shall redact all personal information from electronic records before they are transmitted to LGS. This information should be fully blacked out in all paper documents prior to sending them to LGS. If personal information cannot be redacted from any records or documents, the City must identify these records to LGS prior to their submission.

If redacting this personal information impairs the ability of LGS to provide the contracted services, the City and the Auditor of State's Office will consider these exceptions on a case-by-case basis. Additionally, if redacting this information creates hardship on the City in terms of resources, recordkeeping or other issues, the City and LGS may collaborate on alternative methods of providing the City's data to LGS without compromising the personal information on individuals served or employed by the City.

All work papers prepared by the Office of the Auditor of State will remain the property of the Auditor of State. Accordingly, we are responsible for their care and custody. At the conclusion of the contract, we will provide copies of any of the work papers you would like to have for your records. However, the work papers should not be regarded as a part of, or a substitute for, your accounting records.

Our engagement cannot be relied upon to disclose errors, fraud, or illegal acts that may exist. However, we will inform the appropriate level of management of any material errors and of any evidence or information that comes to our attention during the performance of our compilation procedures that fraud may have occurred. In addition, we will report to you any evidence or information that comes to our attention during the performance of our compilation procedures regarding illegal acts that may have occurred, unless they are clearly inconsequential.

We are willing to establish a block of 80 hours at a rate of \$50 per hour or \$4,000. The City will be billed monthly for only those services needed. If we reach the limit, we will provide you with an opportunity to extend the number of hours under this contract.

Ms. Lynda Rossiter
Finance Director
City of Richmond Heights
November 15, 2011
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If you are in agreement with the terms of this contract, please have this engagement letter signed and certified in the appropriate spaces and return it no later than November 30, 2011. If we do not hear from you by November 30, 2011, we will assume the City does not wish to contract the services of the Local Government Services Section of the Office of the Auditor of State. Should you have any questions concerning this letter, please do not hesitate to contact Nita Hendryx, Chief Project Manager, at 1-800-443-9271.

Sincerely,

DAVE YOST
Auditor of State

Unice S. Smith
Unice S. Smith
Chief of Local Government Services

We desire the Auditor of State's office to perform the services described above and agree to the terms and conditions set forth in this letter.

Date: _____

CITY OF RICHMOND HEIGHTS

Resolution No: _____

By: _____
Daniel J. Ursu, Mayor

It is hereby certified that the amount of \$ _____ required to pay this contract has been lawfully appropriated and is in the treasury or in the process of collection to the credit of the _____ Fund, free from any obligation or certification now outstanding.

Date: _____

Lynda Rossiter, Finance Director

cc: Nita Hendryx, Chief Project Manager
Carol-Ann Schindel, Chief Auditor