



**PURCHASING ITEM
FOR
COUNCIL AGENDA**

1. Agenda Item Number:

22

2. Council Meeting Date:
February 9, 2012

TO: MAYOR & COUNCIL

3. Date Prepared: January 31, 2012

THROUGH: CITY MANAGER

4. Requesting Department:
Management Services

5. SUBJECT: Amendment 4 to Agreement No. AC8-946-2581 for Professional Auditing Services with Heinfeld, Meech and Co., P.C. for one year and adding audit services for the 2011 Chandler Health Care Benefits Trust (CHCBT) in an amount not to exceed \$98,997.

6. RECOMMENDATION: Approval of Amendment 4 to Agreement No. AC8-946-2581 for Professional Auditing Services with Heinfeld, Meech and Co., P.C. for one year and adding audit services for the 2011 Chandler Health Care Benefits Trust (CHCBT) in an amount not to exceed \$98,997.

7. HISTORICAL BACKGROUND/DISCUSSION: The City is required by City Charter and state statute to issue an annual audited financial report. In addition, federal law requires the City to undergo an annual single audit of federal financial assistance. This extension will include auditing of the CHCBT Fund. This is the 4th and final extension. The scope of services includes audit work for the City, Chandler Cultural Foundation, and CHCBT.

8. EVALUATION PROCESS: On May 22, 2008 Council approved an Agreement with Heinfeld, Meech and Co., P.C. for Professional Auditing Services that included the option to renew for up to four additional one-year periods. Staff has recommended and Council has approved three previous one-year extensions. City staff has been satisfied with Heinfeld, Meech and Co.'s performance and is recommending approval to extend for the final one-year option at the price stated in the Agreement. The term of the extension will be July 1, 2012 through June 30, 2013. During the term of the contract, the statutory requirement to audit the CHCBT arose with the establishment of the trust in January 2011. The City on behalf of the trust has elected to use the same firm that provides audit services for the City.

9. FINANCIAL IMPLICATIONS: Funds totaling \$94,997 for the FY 2011-2012 audits are available in FY 2012-2013 from the following:

General Fund Accounting Division	101.1230.5212.0.0.0	\$66,792
General Fund Fire Administration	101.2210.5212.0.0.0	\$ 1,109
Highway User Revenue Fund (HURF)	215.3300.5212.0.0.0	\$ 3,643
Local Transportation Assistance Fund (LTAF)	216.3340.5212.0.0.0	\$ 1,719
Community Development Block Grant Fund (CDBG) 219.4700.5212.0.BG1112(04.1507)		\$ 3,575
PHA Family Sites Fund	224.4650.5212.0.0.0	\$ 2,620
PHA Elderly and Scattered Sites Fund	227.4650.5212.0.0.0	\$ 2,145
PHA Section 8 Vouchers	233.4650.5212.0.0.0	\$ 3,570
Solid Waste Operating Fund	625.3700.5219.0.0.0	\$ 1,609
Chandler Cultural Foundation		<u>\$ 8,215</u>
Total FY 11/12 Audit Services		\$94,997

Funds totaling \$4,000 for the calendar year 2011 Chandler Health Care Benefits Trust (CHCBT) audit services are available in FY 2011-2012 as follows:

Chandler Health Care Benefits Trust (CHCBT)	741.1290.5212.0.0.0	<u>\$ 4,000</u>
Total not to exceed Audit Services		\$98,997

10. PROPOSED MOTION: Move to approve Amendment 4 to Agreement No. AC8-946-2581 for Professional Auditing Services with Heinfeld, Meech and Co., P.C. for one year and adding audit services for the 2011 Chandler Health Care Benefits Trust in an amount not to exceed \$98,997.

ATTACHMENT: Amendment 4

APPROVALS

11. Requesting Department


Penny Burczyk, Accounting Manager

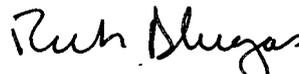
12. Department Head


Dawn Lang, Management Services Director

13. Procurement Officer


Sharon Brause, CPPB, CPCP

14. City Manager


Rich Dlugas

**CITY OF CHANDLER
AMENDMENT #4 TO AGREEMENT FOR
PROFESSIONAL AUDIT SERVICES
CONTRACT NO. AC8-946-2581**

This Amendment #4 to that certain Agreement Between the City Of Chandler and Heinfeld, Meech & Co., P.C., to provide Professional Audit Services for the City dated May 23, 2008 between the City of Chandler (CITY) and Heinfeld, Meech & Co., P.C., is entered into this ____ day of _____, 2012.

WHEREAS, the parties have agreed to extend the Contract;

NOW THEREFORE, the parties agree as follows:

1. Section 5 of the Agreement is hereby amended. The term of the Contract is hereby extended for **one (1) year**, commencing on the **1st day of July, 2012** and terminating on **June 30, 2013** unless sooner terminated in accordance with the provisions herein.
2. Exhibit A - Scope of Work Requirements is hereby amended to include an annual calendar year audit of the Chandler Health Care Benefits Trust per statutory requirements.
3. All other terms and conditions in the original Agreement not specifically amended herein shall be incorporated by reference in its entirety and shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have hereunto subscribed their names this ____ day of _____, 2012.

CITY OF CHANDLER:

By: _____
MAYOR

CONTRACTOR:

By: Diane Bradley
Title: Partner

APPROVED AS TO FORM:

City Attorney *CH for*

ATTEST: (If corporation)

ATTEST:

Secretary

City Clerk

WITNESS: (If individual or Partnership)

[SEAL]