



George Latimer
County Executive

Department of Finance

Ann Marie Berg
Commissioner

OnBase 79135

DATE: September 1, 2020

TO: Board of Acquisition and Contract

FROM: Ann Marie Berg
Commissioner, Department of Finance

SUBJECT: Authority for the County to amend its agreements with with PKF O'Connor Davies, LLP and Mitchell & Titus, LLP, for audit and review services, for the period from January 1, 2013 through December 31, 2019, in order to extend the term of each agreement by two (2) years, to a new expiration date of December 31, 2021.

By a resolution approved on June 20, 2013, your Honorable Board authorized the County of Westchester (the "County"), acting by and through its Department of Finance ("Department") to enter into agreements (individually, the "Agreement" and collectively, the "Agreements") with four (4) consulting firms: 1) O'Connor Davies, LLP (now known as PKF O'Connor Davies, LLP; "PKFOD"); 2) Mitchell & Titus, LLP ("Mitchell & Titus"); 3) Wei, Wei & Co., LLP ("Wei Wei"); and 4) Albrecht, Viggiano, Zureck & Company, P.C. (collectively, the "Firms"), pursuant to which each of the Firms was to provide audit and review services, for the period from January 1, 2013 through December 31, 2014 (the "Initial Term"), for a collective not-to-exceed amount of \$800,000.00, with the County having the option to renew each Agreement for up to two (2) additional two-year periods thereafter. The Agreements were subsequently executed.

By a resolution approved on April 2, 2015, your Honorable Board authorized the County to exercise its first option under each of the Agreements and thereby extend the term of each of the Agreements by two (2) years ("First Option Term"), to a new expiration date of December 31, 2016, for a collective not-to-exceed amount of \$800,000.00 during the First Option Term. The first option was exercised, and the term of three (3) of the four (4) Agreements (PKFOD, Mitchell & Titus, and Wei Wei, and hereinafter the "Current Firms") was thereby extended for the First Option Term.

By a resolution approved on May 25, 2017, your Honorable Board also authorized the County to exercise its second option under each of the Agreements with the Current Firms and thereby extend the term of each of the Agreements with the Current Firms by two (2) years ("Second Option Term"), to a new expiration date of December 31, 2018, for a collective not-to-exceed amount of \$800,000.00 during the Second Option Term. The second option was exercised, and the term of the Agreements with the Current Firms was thereby extended for the Second Option Term.

By a resolution approved on May 16, 2019, your Honorable Board further authorized the County to amend ("First Amendments") the Agreements with the Current Firms ("Current Agreements") in order to extend the term of each of the Current Agreements by one (1) additional year, to a new expiration date of December 31, 2019, at no additional cost, in order to align the terms of the Current Agreements with the intentions of the County and the Current Firms, so that the County could receive from the Current Firms, during the year 2019, the agreed audit services of records pertaining to the prior calendar year of 2018. The First Amendments with two (2) of the three (3) Current Firms (PKFOD and the Mitchell & Titus) were subsequently executed.

Authority is now hereby requested from your Honorable Board to approve a second amendment ("Second Amendments") to the PKFOD and the Mitchell & Titus Agreements ("PKFOD and Mitchell Agreements"), in order to extend the term of the PKFOD and Mitchell Agreements by two (2) years ("Additional Extension Term"), to a new expiration date of December 31, 2021, for a collective not to exceed amount of \$800,000.00, at the rates as set forth on Schedule "A" attached to the Resolution, for audit services to be provided during the Additional Extension Term of records pertaining to calendar years 2019 and 2020.

Except as specifically described above, all terms and conditions of the PKFOD and Mitchell Agreements shall remain in full force and effect.

The proposed Second Amendments will serve a public purpose by ensuring that the County will continue to have access, during the Additional Extension Term, to professional audit services from public accounting firms that will provide necessary multi-disciplinary audit and review services to various County departments.

The goal and objective of the proposed Second Amendments is to ensure that the County will continue to have access, during the Additional Extension Term, to professional audit services from public accounting firms that will provide necessary multi-disciplinary audit and review services to various County departments.

The goal and objective of the proposed Second Amendments is in the best interests of the County in terms of fiscal responsibility, as said multi-disciplinary audit and review services are to be conducted with the intent of confirming compliance with the appropriate County, State and Federal policies, rules, regulations, laws and agreements, and determining the financial integrity, economy, efficiency and effectiveness of a variety of County operations.

The goal and objective of the proposed Second Amendments will be tracked and monitored by the staff of the Department.

Authority to exempt the proposed Second Amendments from the requirements of the Westchester County Procurement Policy and Procedures, pursuant to Section 3(a)(xxi) thereof, has been submitted to your Honorable Board by a separate resolution of even date herewith.

I respectfully recommend approval of the attached resolution.

AMB/DCK/CMC

APPROVED BOARD OF ACQUISITION & CONTRACT - 09/03/2020 - LIS/MR/ASJ/SECRETARY

RESOLUTION

Upon a communication from the Commissioner of the Department of Finance, be it hereby:

RESOLVED, that the County of Westchester (the "County") is hereby authorized to enter into a second amendment ("Second Amendments") to the agreements with O'Connor Davies, LLP (now known as PKF O'Connor Davies, LLP) and Mitchell & Titus, LLP (collectively, the "Firms"), pursuant to which each of the Firms was to provide audit and review services, for the period from January 1, 2013 through December 31, 2019, (collectively, the "Agreements"), by extending the term of the Agreements by two (2) additional years, to a new expiration date of December 31, 2021, for a collective not to exceed amount of \$800,000.00, at the rates as set forth on Schedule "A" attached hereto; and be it further

RESOLVED, that except as specifically amended hereby, all terms and conditions of the Agreements shall remain in full force and effect; and be it further

RESOLVED, that the County Executive or his duly authorized designee is hereby authorized to execute any documents and take any actions reasonably necessary and appropriate to effectuate the purposes of this Resolution.

Account to be Charged/Credited

Fund	Dept	Major Program, Program & Phase Or Unit	Object/ Sub-Object	Trust Account	Dollars
101	various	various	various	various	\$800,000

Budget Funding Year(s): 2020-2021 Start Date: 01/01/20 End Date: 12/31/21
 (must match resolution)

Funding Source \$800,000 Tax Dollars: \$800,000
 (must match resolution) State Aid: _____
 Federal Aid: _____
 Other: _____

Schedule "A"

PKF O'Connor Davies*

	<u>Hourly Rate</u>	
	<u>2020</u>	<u>2021</u>
Partner	\$320	\$326
Manager	231	236
Supervisory staff	138	141
Staff	115	117

Mitchell & Titus

	<u>Hourly Rate</u>	
	<u>2020</u>	<u>2021</u>
Partner	\$210	\$210
Manager	190	190
Supervisory staff	125	125
Staff	110	110

Note: The 2020 rates are for review services performed in 2020 for 2019 audits and the 2021 rates are for review services performed in 2021 for 2020 audits.

*Please note the PKF O'Connor Davis rates reflect a small increase from the rates set forth in the PKFOD Agreement.