

**43752**

Date: December 9, 2014

To: Honorable Members of the Board of Acquisition and Contract

From: Hon. Michael B. Kaplowitz, Chairman  
Westchester County Board of Legislators

Re: Authority to enter into an agreement with O'Connor Davies, LLP, pursuant to which O'Connor Davies, LLP will provide the Board of Legislators with audit services for the County's financial statements.

Authority is requested for the County of Westchester (the "County"), acting by and through its Board of Legislators (the "Board"), to enter into an agreement (the "Agreement") with O'Connor Davies, LLP ("O'Connor Davies"), pursuant to which O'Connor Davies will provide the Board with an audit of the County's financial statements (the "Services"), for a term January 1, 2015 through December 31, 2015 (the "Initial Term"), for an amount not-to-exceed \$483,000.00, payable pursuant to an approved budget, which will specify that \$472,500.00 will be payable as a flat fee for all of the Services except for any 'comfort letters', \$8,000.00 will be payable if a first 'comfort letter' is provided to the County at the County's request, and \$2,500.00 will be payable if a second 'comfort letter' is provided to the County at the County's request. During the Initial Term, the Services will be for the fiscal year 2014.

Under the Agreement, the County will have the sole option to extend the term of the Agreement for up to two (2) additional one (1) year periods (each an "Option Term"), for an amount not-to-exceed \$492,850.00, payable pursuant to an approved budget, for the Services for first Option Term (for the fiscal year 2015) and an amount not-to-exceed \$502,897.00, payable pursuant to an approved budget, for the second Option Term (for the fiscal year 2016).

For the first Option Term, under the approved budget, \$482,350.00 will be payable as a flat fee for all of the Services except for any 'comfort letters', \$8,000.00 will be payable if a first 'comfort letter' is provided to the County at the County's request,

and \$2,500.00 will be payable if a second 'comfort letter' is provided to the County at the County's request.

For the second Option Term, under the approved budget, \$492,397.00 will be payable as a flat fee for all of the Services except for any 'comfort letters', \$8,000.00 will be payable if a first 'comfort letter' is provided to the County at the County's request, and \$2,500.00 will be payable if a second 'comfort letter' is provided to the County at the County's request.

In accordance with Board's obligations under section 107.91 of the Laws of Westchester County and the requirements of section 6 of the Westchester County Procurement Policy, the Board issued a Request for Proposals ("RFP"), dated August 29, 2014, for the Services. The Board sent the RFP to each of the following eleven (11) vendors:

- 1.) Citrin Cooperman & Company, LLP
- 2.) D'Arcangelo & Co., LLP
- 3.) Baker Tilly Virchow Krause, LLP
- 4.) O'Connor Davies
- 5.) Sedore & Company, C.P.A.'s, P.C.
- 6.) Toski & Associates, CPA's, P.C.
- 7.) UHY LLP
- 8.) Drescher & Malecki, LLP
- 9.) McGladrey LLP
- 10.) Center for Governmental Research, Inc.
- 11.) Albrecht, Viggiano, Zureck & Company, P.C.

In response, the County received proposals from four (4) vendors:

- 1.) O'Connor Davies
- 2.) McGladrey LLP
- 3.) UHY LLP
- 4.) Drescher & Malecki, LLP

The proposals were reviewed by staff from the Board and scored and ranked on the basis of the evaluation criteria in the RFP. Although the proposal submitted by O'Connor Davies did not have the lowest net cost, it was still the first-ranked proposal, largely due to its superior scores in terms of technical qualifications and expertise. It is a prudent and economic use of public money, and otherwise in the best interests of the County, to contract with O'Connor Davies based on the fact that it has such technical qualifications and expertise, and was still the first-ranked proposer with consideration of price included.

The proposed Agreement will serve a public purpose by having an experienced auditing firm analyze the County's financial statements and express an opinion on the County's financial status.

The goal and objective of the proposed Agreement is to provide the Board with audit services for the County's financial statements.

The goal and objective of the proposed Agreement is in the best interests of the County in terms of fiscal responsibility, as the audit services to be provided will supply the Board with information concerning the County's operating expenses, thereby enabling the Board to make informed decisions regarding the County budget.

The goal and objective of the proposed Agreement will be tracked and monitored by the staff of the Board.

I respectfully recommend the adoption of the attached resolution.

MBK/SS/bdm/nn

APPROVED BOARD OF ACQUISITION & CONTRACT - 01/20/2015 - 30MAY2015 SECRETARY

## RESOLUTION

Upon a communication from the Chairman of the Westchester County Board of Legislators, be it hereby

**RESOLVED**, that the County of Westchester (the "County"), acting by and through its Board of Legislators (the "Board"), is authorized to enter into an agreement (the "Agreement") with O'Connor Davies, LLP ("O'Connor Davies"), pursuant to which O'Connor Davies will provide the Board with an audit of the County's financial statements (the "Services"), with the Services being for the fiscal year 2014, for a term January 1, 2015 through December 31, 2015, for an amount not-to-exceed \$483,000.00, payable pursuant to an approved budget, which will specify that \$472,500.00 will be payable as a flat fee for all of the Services except for any 'comfort letters', \$8,000.00 will be payable if a first 'comfort letter' is provided to the County at the County's request, and \$2,500.00 will be payable if a second 'comfort letter' is provided to the County at the County's request; and be it further

**RESOLVED**, that under the Agreement, the County will have the sole option to extend the term of the Agreement for up to two (2) additional one (1) year periods (each an "Option Term"), for an amount not-to-exceed \$492,850.00, payable pursuant to an approved budget, for the Services for first Option Term (for the fiscal year 2015) and an amount not-to-exceed \$502,897.00, payable pursuant to an approved budget, for the second Option Term (for the fiscal year 2016); and be it further

**RESOLVED**, the Agreement shall specify that for the first Option Term, under the approved budget, \$482,350.00 will be payable as a flat fee for all of the Services except for any 'comfort letters', \$8,000.00 will be payable if a first 'comfort letter' is provided to the County at the County's request, and \$2,500.00 will be payable if a second 'comfort letter' is provided to the County at the County's request; and be it further

**RESOLVED**, the Agreement shall specify that for the second Option Term, under the approved budget, \$492,397.00 will be payable as a flat fee for all of the Services except for any 'comfort letters', \$8,000.00 will be payable if a first 'comfort letter' is provided to the County at the County's request, and \$2,500.00 will be payable if a second 'comfort letter' is provided to the County at the County's request; and be it further

**RESOLVED**, that the Agreement is subject to County appropriations; and be it further

**RESOLVED**, that the Agreement is also subject to further financial analysis of the impact of any New York State Budget (the "State Budget") proposed and adopted during the term of this Agreement. The County shall retain the right, upon the occurrence of any release by the Governor of a proposed State Budget and/or the adoption of a State Budget or any amendments thereto, and for a reasonable period of time after such release(s) or adoption(s), to conduct an analysis of the impacts of any

such State Budget on County finances. After such analysis, the County shall retain the right to either terminate the Agreement or to renegotiate the amounts and rates approved herein. If the County subsequently offers to pay a reduced amount to the Consultant, then the Consultant shall have the right to terminate the Agreement upon reasonable prior written notice; and be it further

**RESOLVED**, that the Chairman of the Westchester County Board of Legislators, or his authorized designee, is hereby authorized to execute any documents and take any actions reasonably necessary and appropriate to effectuate the purposes of this Resolution.

APPROVED BOARD OF ACQUISITION & CONTRACT - 01/22/2015 - JOHANNY VIEIRA, SECRETARY

Account to be  
Charged/Credited

Date	Fund	Dept	Major Program, Program & Phase Or Unit	Object/ Sub-Object	Trust Account	Dollars
2015	101	52		2065		\$483,000.

Budget Funding Year(s): 2015 Start Date: 1/1/15 End Date: 12/31/15  
(must match resolution)

Funding Source	Tax Dollars:	<u>\$483,000.00</u>
	State Aid:	_____
<b><u>\$483,000.00</u></b>	Federal Aid:	_____
(must match resolution)	Other:	_____

APPROVED BOARD OF ACQUISITIONS CONTRACT - 01/22/2015 - PRIMARY VIEW SECRETARY