



MARION COUNTY BOARD OF COMMISSIONERS

Board Session Agenda Review Form

Meeting date: June 27, 2018

Department: Finance Agenda Planning Date: June 21, 2018 Time required: 5 Minutes

☐ Audio/Visual aids None

Contact: Jeff White Phone: 503-589-3290

Department Head Signature:

TITLE Consider Approval of Amendment 1 to the Contract for Services with Grove, Mueller & Swank, PC for Audit Services

Issue, Description & Background In 2015 Marion County entered into a contract with Grove, Mueller & Swank, PC for audit services. The contract had a term of three years with options to extend the agreement for two additional one year period. This amendment exercises the first of the two one year options.

Financial Impacts: This amendment adds \$80,952 for a revised contract total of \$352,745.

Impacts to Department & External Agencies No impact to other departments or external agencies.

Options for Consideration: 1) Approve Amendment 1 to the Contract for Services with Grove, Mueller & Swank, PC
2) Withhold approval of Amendment 1 to the Contract for Services with Grove, Mueller & Swank, PC

Recommendation: Finance staff recommends approval of Amendment 1 to the Contract for Services with Grove, Mueller & Swank, PC

List of attachments: Amendment 1 to the Contract for Services with Grove, Mueller & Swank, PC

Presenter: Jeff White, Chief Financial Officer

Copies of completed paperwork sent to the following: (Include names and e-mail addresses.)

Copies to: Jacob Clotfelter, jclotfelter@co.marion.or.us



Marion County
OREGON

FINANCE DEPARTMENT

Contract Review Sheet

Contract #: **FI-179-15**

Person Sending: **Jacob Clotfelter**

Department: **Finance**

Contact Phone #: **503-588-5047**

Date Sent: **Wednesday, June 13, 2018**

☒ Contract ☒ Amendment # **1** ☐ Lease ☐ IGA ☐ MOU ☐ Grant (attach approved grant award transmittal form)

Title: **Amendment 1 - One Year Extension of Audit Services**

Contractor's Name: **Grove, Mueller & Swank, PC**

Term - Date From: **Jul 1, 2015**

Expires: **Jun 30, 2019**

Contract Total: **\$271,793.00**

Amendment Amount: **\$80,952.00**

New Contract Total: **\$352,745.00**

Source Selection Method: No Quote (NTE \$5,000)

#

Additional Considerations (check all that apply)

☐ Board Order# _____

☐ Incoming Funds

☐ Independent Contractor (LECS) approval date: _____

☐ Insurance Waiver (attach)

☐ CIP# _____ (required for all goods /software greater than \$5,000)

☐ Feasibility Determination (attach approved form)

☐ Federal Funds (attach sub-recipient / contractor analysis)

☐ Reinstatement (attach written justification)

☐ Retroactive (attach written justification)

Description of Services or Grant Award:

Marion County is required to have an annual audit performed each fiscal year. In 2015 Grove, Mueller & Swank was awarded a three year contract with options to extend the term of the agreement through two additional one year periods. Amendment 1 exercises the first of the two option periods and adds funding for the services.

FOR FINANCE USE

Date Finance Received:

BOC Planning Date:

Date Legal Received:

Comments:

REQUIRED APPROVALS:

Finance - Contracts

Date

Risk Manager

Date

Legal Counsel

Date

Chief Administrative Officer

Date

Date _____

☐ To be filed

☐ Added to master list

☐ Returned to _____ Department for _____ signatures



AMENDMENT 1 to the
CONTRACT FOR SERVICES

between

MARION COUNTY and GROVE, MUELLER & SWANK, PC

This Amendment No. 1 to the Contract for Services (as amended from time to time, the "Contract"), dated July 1, 2015 between Marion County, a political subdivision of the State of Oregon, hereafter called County, and Grove, Mueller & Swank, PC, hereafter called Contractor.

The Contract is hereby amended as follows (new language is indicated by underlining and deleted language is indicated by brackets):

CONTRACT FOR SERVICES
PART I

1. INTRODUCTION

This contract is between Marion County (a Political subdivision of the State of Oregon) hereinafter called County, and Grove, Mueller & Swank, PC, hereinafter called Contractor.

The Contractor agrees to provide the services as specified in Part II of this contract, for the period July 1, 2015 through [June 30, 2018] June 30, 2019. Upon mutual consent of both parties, this contract may be renewed for [two (2)] a one year option[s]; through June 30, 2020. County will notify Contractor of its intent to exercise the one year option for renewal by April 1st prior to the option year. It is understood that this contract between the County and the Contractor is subject to the availability of local, state, and federal funds. This contract is for the period indicated and does not in any way commit the County to obligate funds for continuation of these services beyond the contract period.

3. PAYMENT OF CONTRACT

a. Contract Amount [Current Year]

The sum of [\$271,793] \$352,745.00 is the maximum not-to exceed payment amount obligated by the County under this [3-year] 4-year contract for services and related out-of-pocket expenses outlined in Part II of this contract. Payments made for audit services shall not exceed [\$86,215 for the audit of the 2014-2015 fiscal year] the amounts detailed below for the respective fiscal year:

- Fiscal Year 2014-2015: \$86,215
- Fiscal Year 2015-2016: \$86,310
- Fiscal Year 2016-2017: \$88,560
- Fiscal Year 2017-2018: \$91,660

CONTRACT FOR SERVICES – PART II

1. Description of Services

- b. The audit shall be performed in accordance with generally accepted auditing standards as set forth by the American Institute of Certified Public Accountants; the standards for financial audits set forth in the U.S. Government Accountability Office's *Government Auditing Standards*; the provisions of the Single Audit Act (as amended); the provisions of the U.S. Office of Management and Budget's (OMB) Circular A 133, Audits of States, Local Governments, and Non Profit Organizations for audits through fiscal year 2016-2017 , and Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, cost Principles, and Audit Requirement for Federal Awards (Uniform Guidance) for audits beginning with the fiscal year 2017-2018; the Minimum Standards for Audits of Oregon Municipal Corporations prescribed by the Secretary of State; federal, state, and local laws and regulations; Marion County Code provisions; and with consideration given to comments received from the GFOA Certificate of Achievement review program, as appropriate.
- c. The COUNTY is responsible for preparing the Comprehensive Annual Financial Report (CAFR) which shall include all such financial statements as may be necessary to fully disclose and fairly present the results of operations for the period under audit and the financial condition at the end of that period, in accordance with accounting principles generally accepted in the United States of America. The COUNTY is also responsible for preparing the Schedule of Expenditures of Federal Awards (SEFA) as required by OMB Circular A 133 or the Uniform Guidance; as applicable.
- g. Following the completion of the audit, the CONTRACTOR shall issue the following reports:
 - A report providing an opinion on the fair presentation of the basic financial statements in conformity with accounting principles generally accepted in the United States of America, including an opinion on the fair presentation of combining and individual fund financial statements in relation to the audited basic financial statements;
 - Comments and disclosures required by the State of Oregon's minimum standards for audits of Oregon municipal corporations;
 - The annual Summary of Revenues and Expenditures for submission to the Oregon Audits Division;
 - A report providing an opinion on the fair presentation of the Schedule of Expenditures of Federal Awards in relation to the audited basic financial statements;
 - A report on internal control over financial reporting and on compliance and other matters, based on an audit of financial statements performed in accordance with Government Auditing Standards;

- A report on compliance with requirements applicable to each major program and internal control over compliance in accordance with OMB Circular A 133 or the Uniform Grant Guidance; as applicable.

2. Contract Period

The contract is for the [three-year] four-year period from July 1, 2015 through June 30, [2018] 2019. Upon mutual consent of both parties, there is an option to renew the contract for [two] one additional one-year [periods] period.

3. Contract Amount

The sum of [\$271,793] \$352,745 is the maximum amount obligated by the County to provide the services specified above and under this contract.

Except as expressly amended above, all other terms and conditions of the original contract are still in full force and effect. Contractor certifies that the representations, warranties and certifications contained in the original Contract are true and correct as of the effective date of this Amendment and with the same effect as though made at the time of this Amendment.

MARION COUNTY SIGNATURE

BOARD OF COMMISSIONERS:

Chair Date

Commissioner Date

Commissioner Date

Authorized Signature: _____
Department Director or designee Date

Reviewed by Signature: _____
Marion County Legal Counsel Date

Reviewed by Signature: _____
Marion County Contracts & Procurement Date

GROVE, MUELLER & SWANK, PC

Authorized Signature: _____ Date: _____

Title: _____