City of Carroll

112 E. 5th Street Carroll, Iowa 51401-2799 (712) 792-1000 FAX: (712) 792-0139

MEMO TO: Mike Pogge-Weaver, City Manager MSPW

FROM: Laura A. Schaefer, Finance Director/City Clerk las

DATE: May 19, 2020

SUBJECT: Audit Bids for FY 2020 - 2022

Request for Proposals to perform the City's annual audit for fiscal years 2020-2022 was sent to 9 firms. On May 15, five proposals to perform the annual audits were received and opened. A summary of the proposals is attached.

For comparative purposes, it is believed (based upon information I know as of today) that a Single Audit may not be required for FY 2020 but may be required in later fiscal years. If more than $750,000 of federal grant money is spent in a fiscal year, then a Single Audit is required.

Feldmann & Company has performed the City audit since 1985 and is qualified to continue performing the City audit.

Attached is a resolution accepting the bid and approving a contract with Feldmann & Company CPA's, P.C. and authorizing the Mayor and City Clerk to execute the contract on behalf of the City.

RECOMMENDATION: Council consideration and approval of the attached resolution approving the contract with Feldmann & Company CPA's, P.C. to perform the annual audit for fiscal years 2020-2022 at an annual fee of $14,000 for FY 2020, $14,250 for FY 2021, and $14,500 for FY 2020.

Audit Bid Opening
FY 2020 - FY 2022
May 15, 2020

Audit Firm		FY 2019-2020	FY 2020-2021	FY 2021-2022		Single Audit Fee
Feldmann & Company CPAs, PC Carroll, IA		$ 14,000	$ 14,250	$ 14,500		$ 2,500
Office of Auditor of State		$ 22,500	$ 23,500	$ 24,500		$ 1,500
Faller, Kincheloe & Co, PLC Des Moines, IA		$ 24,500	$ 25,000	$ 25,500		$ 3,000
ATLAS CPAs & Advisors PLLC Cedar Rapids, IA		$ 27,500	$ 28,900	$ 30,400		Billed hourly
King, Reinsch, Prosser & Co, LLP Sioux City, IA		$ 20,700	$ 21,350	$ 21,995		Billed hourly
Cornwell, Frideres, Maher & Associates Fort Dodge, IA		No bid - audit schedule is filled at this time.				

RESOLUTION NO. _____

A RESOLUTION APPROVING AUDIT AGREEMENT

WHEREAS, Chapter 17, of the Code of Ordinances of the City of Carroll, Iowa, provides that all contracts made by the City be reduced to writing and approved by the City Council by resolution; and

WHEREAS, the Audit Agreement for fiscal years 2020, 2021, and 2022 is attached hereto as Exhibit "A"; and

WHEREAS, it is determined that the approval of the attached Agreement is in the best interest of the City of Carroll, Iowa;

NOW, THEREFORE, BE IT RESOLVED that the Audit Agreement, attached as Exhibit "A", be authorized and approved, and that the Mayor and City Clerk is authorized to execute the contract on behalf of the City of Carroll.

PASSED AND APPROVED by the City Council of the City of Carroll, Iowa, this 26th day of May, 2020.

CITY COUNCIL OF THE
CITY OF CARROLL, IOWA

BY:_____
Eric P. Jensen, Mayor

ATTEST:

By:_____
Laura A. Schaefer, City Clerk

AGREEMENT BETWEEN

The City of Carroll
AND

Feldmann & Company CPAs, P.C.

THIS AGREEMENT made and entered into this 18 day of May, 2020, by and between The City of Carroll, hereinafter called "City" and Feldmann & Company, CPAs, P.C. hereinafter called "Auditor."

WHEREAS, the City wishes to obtain the services of the Auditor to perform an audit in accordance with Section 11.6, Code of Iowa, for three (3) years ending June 30, 2020, 2021 & 2022; and

WHEREAS, the Auditor is equipped and staffed to perform the above audit; and

WHEREAS, this agreement is in the public interest in fulfilling the requirements of Chapter 11 of the Code of Iowa.

NOW, THEREFORE, BE IT UNDERSTOOD AND AGREED:

Services of the Auditor

- Begin work on the audit as specifically agreed upon with the City.
- Perform all work in accordance with U.S. generally accepted auditing standards, Government Auditing Standards, Chapter 11 of the Code of Iowa and applicable federal requirements.
- Immediately inform the City, the Auditor of State, and County Attorney if the audit discloses any irregularity in the collection or disbursement of public funds.
- Provide access to the working papers to any appropriate federal agencies for the period of time specified in relevant agreements entered into by the City.
- Provide access to the working papers to the Auditor of State in accordance with Chapter 11 of the Code of Iowa.
- Perform any other services as represented in the Auditor's proposal and Letter of Transmittal submitted to the City.

Conditions of Payment

- The Auditor shall present an invoice for services as described in Auditor's proposal.
- The City shall provide payment within thirty (30) days of receipt of the invoice.
- The total reimbursement for the audit performed for each fiscal year shall not exceed the following amounts except as specifically agreed by the City and the Auditor:

		Single Audit fee (if required)
Fiscal Year 2019 - 2020	**$14,000**	**$1,500**
Fiscal Year 2020 - 2021	**$14,250**	**$1,500**
Fiscal Year 2021 - 2022	**$14,500**	**$1,500**

Termination of Agreement

- The City may terminate this contract without notice if the Auditor fails to perform the covenants or agreements contained herein. Such termination shall be effective upon the Auditor's receipt of written notice of termination.
- The City may terminate this agreement on or before June 1 of any year in which this agreement remains in effect, by mailing written notice on or prior to June 1. Any such termination shall only terminate this agreement with respect to new audits beginning after the date such notice is given.
- The Auditor shall be paid for all work satisfactorily performed to the date of termination.
- If not sooner terminated, this agreement shall expire upon the Auditor's completion of the City's audit for the fiscal year ending June 30, 2022.

IT WITNESS THEREOF, the City of Carroll and the Auditor have executed this AGREEMENT as of the date indicated below:

Auditor	**City of Carroll**
By [signature]	**By** _____
Title Mgr. CPA	**Title** _____
Date 5-18-20	**Date** _____