

RESOLUTION NO. 2008-19

AUTHORIZING CONTRACT 2007-126 WITH THE AUDITOR OF STATE AND CIUNI & PANICHI, INC. TO PROVIDE SERVICES TO AUDIT THE AUTHORITY'S FISCAL ACCOUNTS AND RECORDS FOR A PERIOD OF FIVE YEARS, IN AN AMOUNT NOT TO EXCEED \$789,960.00 (GENERAL FUND, SECRETARY-TREASURER/BOARD OF TRUSTEES BUDGET)

WHEREAS, O.R.C. Section 117.11 requires the Auditor of State to conduct an audit of each public office or allow the governing board of the public office to engage an independent certified public accountant to conduct the audit; and

WHEREAS, the Auditor of State has determined that she will be unable to conduct an audit of the Greater Cleveland Regional Transit Authority for the next five years; and

WHEREAS, the Greater Cleveland Regional Transit Authority is required to have an independent certified public accountant to prepare the federal Single Audit; and

WHEREAS, the Federal Single Audit is performed by the Auditor of State or the independent certified public accountant selected by her; and

WHEREAS, the Auditor of State has performed a competitive procurement process and selected Ciuni & Panichi, Inc. as the independent certified auditor to conduct the required services; and

WHEREAS, the Auditor of State has notified the Greater Cleveland Regional Transit Authority that Ciuni & Panichi, Inc. was selected to perform the Federal Single Audit at an anticipated cost of seven hundred eighty-nine thousand nine hundred sixty & 00/100 dollars (\$789,960.00) for a five (5) year period.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the Greater Cleveland Regional Transit Authority, Cuyahoga County, Ohio:

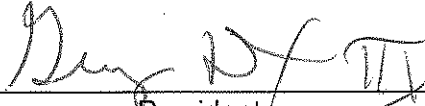
Section 1: That the General Manager/Secretary-Treasurer of the Authority be and he is hereby authorized to execute a contract with the Auditor of State and Ciuni & Panichi, Inc. to provide audit services for the Authority's fiscal accounts and records for a five (5) year period.


Section 2. That said contract shall be payable from the General Fund, Secretary-Treasurer/Board of Trustees budget in an amount not-to-exceed seven hundred eighty-nine thousand nine hundred sixty & 00/100 dollars (\$789,960.00).

Section 3. That said contract shall be binding upon and an obligation of the Authority, contingent upon funding for future years; compliance by the contractor to the Specification and Addenda, if any, the Affirmative Action Plan adopted by the Board of Trustees in Resolution 2007-064; bonding and insurance requirements and all applicable laws relating to the contractual obligations of the Authority.

Section 4. That this resolution shall become effective immediately upon its adoption.

Adopted: February 19, 2008

  
\_\_\_\_\_  
President

Attest:   
\_\_\_\_\_  
CEO, General Manager/Secretary-Treasurer



<b>TITLE/DESCRIPTION:</b>  AUTHORIZING CONTRACT 2007-126 WITH THE AUDITOR OF STATE AND CIUNI & PANICHI, INC. TO PROVIDE SERVICES TO AUDIT THE AUTHORITY'S FISCAL ACCOUNTS AND RECORDS FOR A PERIOD OF FIVE YEARS, IN AN AMOUNT NOT TO EXCEED \$789,960.00 (GENERAL FUND, SECRETARY-TREASURER/BOARD OF TRUSTEES BUDGET)	<b>Resolution No.:</b> 2008-19
	<b>Date:</b> February 14, 2008
	<b>Initiator:</b> Secretary-Treasurer/Board of Trustees
<b>ACTION REQUEST:</b> <input checked="" type="checkbox"/> Approval <input type="checkbox"/> Review/Comment <input type="checkbox"/> Information Only <input type="checkbox"/> Other _____	

- 1.0 **PURPOSE/SCOPE:** This action will allow the Authority to enter into a contract for the audit of the Authority's fiscal accounts and records for a five year period.
- 2.0 **DESCRIPTION/JUSTIFICATION:** The Auditor of State is responsible for auditing public agencies and political subdivisions or engaging the audit services from an Independent Public Accountant (IPA). The Auditor of State has made the decision to engage audit services from an Independent Accountant. Payment for the audit services shall be made directly to Ciuni & Panichi, Inc. The audit process is necessary to comply with the Federal Single Audit Act and State Law.
- 3.0 **PROCUREMENT BACKGROUND** The Auditor of State performed a competitive procurement process and identified Ciuni & Panichi, Inc. independent certified auditor to conduct the Authority's fiscal account and record audit at the following estimated costs:

<u>YEAR</u>	<u>AMOUNT</u>
2007	\$139,200.00
2008	\$148,480.00
2009	\$156,600.00
2010	\$167,040.00
2011	<u>\$178,640.00</u>
Total	\$789,960.00

The Auditor of State determined that the price proposed by Ciuni & Panichi, Inc. is fair and reasonable to the Authority.

- 4.0 **AFFIRMATIVE ACTION/DBE BACKGROUND:** The selection of the auditing firm to examine the Authority's accounts and records is determined under the supervision and guidelines of the Auditor of State, and the contract is subject to its' stipulation for minority business participation. The minority firm that will participate on the contract is Watson Rice & Company, which is expected to participate at 15% of the total contract amount.

- 5.0 POLICY IMPACT: Does not apply.
- 6.0 ECONOMIC IMPACT: The contract will be funded through the General Fund, Secretary-Treasurer budget, Line Item 503, Services, in an amount not to exceed seven hundred eighty-nine thousand nine hundred sixty & 00/100 dollars (\$789,960.00).
- 7.0 ALTERNATIVES: Reject this offer. Rejection of this contract would risk placing the Authority in violation of Federal and State Law by not having an annual audit of its fiscal accounts and records.
- 8.0 RECOMMENDATION: It is recommended that the resolution be passed authorizing the General Manager/Secretary-Treasurer to enter into a contract with the Auditor of State and Ciuni & Panichi, Inc..
- 9.0 ATTACHMENTS: None.

Recommended and certified as appropriate to the availability of funds, legal form and conformance with the Procurement Requirements.

  
\_\_\_\_\_  
CEO, General Manager/Secretary-Treasurer