



CITY OF ALLENTOWN

No. 205

RESOLUTION

R - 2023

Introduced by the Administration on December 6, 2023

Authorization for Contract price increase of 10% or more for an existing Contract over \$40,000.00, that was previously Bid and Awarded under City Policies, with Maher Duessel in the amount of \$51,000.00 that was previously bid to perform financial and compliance audits covering each of three (3) years ending December 31, 2022, 2023 and 2024.

Resolved by the Council of the City of Allentown, That

WHEREAS, Article 130.16 of the City's Administrative Code (recodified as §5-21) requires City Council approval by Resolution for the award of contracts or engagement of professional services.

WHEREAS, it is the desire of the City of Allentown to increase the contractual sum of the previously awarded agreement with the following named contractor/consultant, for the use and purpose indicated in supporting the Recommendation of Award or Contract dated June 10, 2022:

1. Name of Contractor/Consultant: Maher Duessel
2. Project or Contract Reference: C01-000005 RFP No. 2022-11 City Audit 2022-2024
3. Description of Service(s) to be provided: To obtain the services of an independent Certified Public Accountant, with licenses in Pennsylvania, to perform financial and compliance audits. The requested audit services will cover each of three (3) years ending December 31, 2022, 2023 and 2024.

NOW, THEREFORE, BE IT RESOLVED, on this the 6th day of December, 2023, that the Council of the City of Allentown, hereby authorizes the Mayor and/or such other City officials as deemed appropriate by the City Solicitor, to sign and execute a Contract or Amendment and such other agreements and documents as are deemed by the City Solicitor to be necessary and/or related thereto, with the above named contractor/consultant, for the project identified.

SUBJECT: Request for Approval by City Council of Contract Price Increase Pursuant to City Ordinance, Article 130.16

Project or Contract Reference: RFP No. 2022-11 City Audit 2022-2024 C01-000005

TO: City Council, City Clerk, and Council Solicitor

FROM: City Clerk

DATE: November 22, 2023

Pursuant to City Ordinances, Article 130.16, this Recommendation of Award is before City Council for its approval of the contract consideration increase.

- This recommendation is for a contract consideration increase of 10% or more for an existing contractual sum. Said contract was previously bid and awarded under city policies.
- The contract appropriation or price increase **is** included in this year's budget
- List the name and address of the recommended Contractor/Vendor, include the following:

Mahe Duessel:1800 Linglestown Road, Suite 306, Harrisburg, PA 17110

Contract Sum:	\$204,400.00
Requested Increase:	<u>\$ 51,000.00</u>
New Contract	\$255,400.00

Funding Source:

- Description of project or scope of services to be provided and why is an increase needed:

At this time, the department is requesting to increase the contract in the amount of \$25,500.00 per year for 2023 and 2024 totaling \$51,000.00. This is due to additional services which can be either non-recurring matters or changes to the scope of recurring services, including matters such as: (1) changes to the body of compliance and other requirements applicable to the Organization; (2) changes in the nature or scope of programs that comprise the reporting entity; (3) changes in the application of accounting principles or the application of new principles; (4) changes to auditing standards of a nature that results in an increase in the audit effort required; (5) management requests for procedures of a nature and extent beyond those necessitated for an audit; (6) consent letters; (7) changes to accounting software; (8) costs related to required surcharges; and (9) matters of management responsibility (e.g. the condition of records) or other matters beyond Mahe Duessel's reasonable control that impair the efficient conduct or expand the scope of effort beyond the audit procedures necessary for the scope of recurring services. Along with, additional major federal programs required to be tested as part of the City's Single Audit. Based upon the revised Schedule of Expenditures of Federal Awards, it is expected that the City will require six major programs to be selected for compliance and control testing under the Uniform Guidance for the Single Audit. The increase in major federal programs is based upon the significant increase in grant activity for the year ended December 31, 2022.

- List the current Contract Term and if an increase is needed:

The requested audit services will cover each of the three (3) years ending December 31, 2022, December 31, 2023, and December 31, 2024. The proceeding years' audits shall be due by June 30, 2023, June 30, 2024, and June 30, 2025.

- List any renewal term options and duration of each renewal, if any:

Upon written agreement, this contract may be extended for up to three (3) additional one (1) year audits beyond the contract expiration period.

- Maximum dollar value of all renewals provided for beyond the original term as if all renewals were exercised:

N/A

A vote of final approval is requested of the members of Council and by passing the accompanying resolution, this Contract will be deemed approved.

By: City Clerk, Department Head

Copies To: Mayor
Director of Finance
Purchasing
Controller

Attachment: proposed resolution