

# City of Northampton

MASSACHUSETTS

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*In City Council*

August 20, 2020

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Upon the recommendation of the Finance Committee

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## 20.103 An Order

To Award Contract for FY2021 – FY2023 Audit to Scanlon and Associates

*Ordered, that*

Whereas, Section 7-6 of the Northampton City Charter requires that the City Council annually award a contract for an outside audit of the books and accounts of the city to be conducted by a certified public accountant or by a firm of certified public accountants, which has no personal interest, direct or indirect, in the fiscal affairs of the city or any of its officers.

*Now therefore be it ordered,*

That the City Council hereby awards a three-year contract for auditing services for the FY2021 to FY2023 audits to Scanlon and Associates, LLC at the prices and rates quoted in the proposal dated August 11, 2020 attached hereto.



August 11, 2020

To the Honorable City Council  
City of Northampton  
210 Main Street  
Northampton, MA 01060

Dear Council Members:

Thank you for the opportunity to submit a proposal for audit services for the City of Northampton, Massachusetts. Scanlon and Associates, LLC is independent of the City of Northampton, Massachusetts as defined by professional standards (AICPA) and government auditing standards (yellow book). Scanlon and Associates, LLC has met peer review standards as defined by the American Institute of Certified Public Accountants (AICPA). All partners and staff to be assigned to the City's engagement have extensive knowledge and experience of auditing municipalities and have met the continuing education requirements as defined by auditing standards.

We are excited about the opportunity to continue working with the City. We believe our firm provides timely, quality work and excellent service at a reasonable fee and would be of great value to the City. Some of the reasons to select our firm include our experience, our personnel, our process and our commitment to ensure quality work.

A summary of audit fees for fiscal years 2021, and optional years for 2022 and 2023 is as follows:

<u>Fiscal Year</u>	<u>Financial Statement Audit</u>	<u>Single Audits (a)</u>	<u>School End of Year Reports (2) - AUP</u>	<u>Retirement GASB 67/68</u>
2021	\$ 46,000	\$850/per day	\$ 10,000	\$ 6,000
<b>(Optional)</b>				
2022	\$ 48,000	\$850/per day	\$ 10,000	\$ 6,500
2023	\$ 48,000	\$850/per day	\$ 10,000	\$ 6,500

**(a)** The fee amount is based on a billing amount of \$850 per day for days spent on auditing major programs. Historically Northampton has averaged between 8 – 12 days related to major programs for the single audit. Covid-19 may have an impact on increasing the number of days related to single audit.

The increase from fiscal year 2020 fees are mainly due to new GASB's, increased reporting requirements, increased programs/activities within the City and increased audit requirements.

We appreciate this opportunity to continue to be service to you. If you have any questions, please contact us immediately.

Sincerely,

*Scanlon and Associates, LLC*

Thomas J. Scanlon Jr., CPA  
Scanlon and Associates, LLC