



Vedat Gashi
Chairman,
Westchester County
Board of Legislators

OnBase ID #109904

DATE: October 31, 2024

TO: The Honorable Board of Acquisition and Contract

FROM: Honorable Vedat Gashi
Chairman, Westchester County Board of Legislators

SUBJECT: Authority to: (1.) amend an agreement with PKF O'Connor Davies, LLP, pursuant to which it was to provide the Board of Legislators with professional auditing services for the County's annual financial statements, in order to increase, by \$8,000.00, the not-to-exceed amount for the services to be provided during its initial term; and, (2.) exercise the first option under the same agreement, in order to extend its term by one (1) year, through December 31, 2025, for an amount not-to-exceed \$560,000.00, for the services to be provided during that option year.

By a resolution approved on December 7, 2023, your Honorable Board authorized the County of Westchester (the "County"), acting by and through its Board of Legislators (the "Board"), to enter into an agreement (the "Agreement") with PKF O'Connor Davies, LLP ("PKFOD"), pursuant to which PKFOD was to provide the Board with professional auditing services for the County's financial statements (the "Services"), including both the specific audit services previously solicited by the County, which will include the County being entitled to six (6) Federal 'Uniform Guidance' compliance audits, (the "Specific Services") and additional work that is closely related to the Specific Services (the "Additional Services"), for a term from January 1, 2024 through December 31, 2024 (the "Initial Term"), for an amount not-to-exceed \$535,000.00, payable as invoiced and consisting of a flat fee of \$525,000.00 for the Specific Services and an amount not-to-exceed \$10,000.00 that will be available to pay for possible Additional Services that would be billed at the following hourly rates:

Initial Term

Partners:	\$300/hour
Managers:	\$245/hour
Supervisory Staff:	\$195/hour
Staff:	\$170/hour
Others:	\$145/hour

The Agreement was subsequently executed.

As noted above, the Agreement entitled the County to six (6) Federal 'Uniform Guidance' compliance audits during the Initial Term, at no additional cost. However, PKFOD determined that nine (9) Federal 'Uniform Guidance' compliance audits were ultimately required during the Initial Term, for the audit work concerning the fiscal year 2023. In order to make additional funds available to pay for the work performed for the three (3) additional Federal 'Uniform Guidance' compliance audits, the County respectfully requests authority from your Honorable Board for the County to amend the Agreement by increasing its not-to-exceed amount by \$8,000.00 for the Initial Term, to a new total amount not-to-exceed \$543,000.00 for that term, with said increase being entirely allocated to paying for Additional Services that would be billed at the hourly rates specified in the Agreement for the Initial Term (the "Amendment Regarding the Extra Audit Work").

Under the Agreement, the County has the option, in its sole discretion, to extend the term thereof for up to two (2) additional one (1) year periods (each an "Option Term") on the same terms and conditions for each Option Term as for the Initial Term, except that, a.) the flat fee for the Specific Services would be \$550,000.00 for the first Option Term and the flat fee for the Specific Services would be \$575,000.00 for the second Option Term, and b.) the funding to be made available for the possible Additional Services during each Option Term may be increased or decreased from the not-to-exceed amount made available for the Additional Services during the Initial Term, based upon the expected needs of the County, and such Additional Services shall instead be billed at the following hourly rates for the first Option Term and the second Option Term:

First Option Term

Partners:	\$305/hour
Senior Managers:	\$250/hour
Supervisory Staff:	\$205/hour
Staff:	\$180/hour
Others:	\$155/hour

Second Option Term

Partners:	\$315/hour
Senior Managers:	\$255/hour
Supervisory Staff:	\$215/hour
Staff:	\$190/hour
Others:	\$165/hour

The County now requires the Services for the fiscal year 2024. Accordingly, the County respectfully requests authority from your Honorable Board for the County to exercise its first option under the Agreement, and therefore amend the Agreement in order to, 1.) extend its term by one (1) year, to a new termination date of December 31, 2025, 2.) increase its not-to-exceed amount by \$560,000.00, consisting of a flat fee of \$550,000.00 for the Specific Services and an amount not-to-exceed \$10,000.00 that will be available to pay for possible Additional Services that would be billed at the hourly rates specified in the Agreement for the first Option Term, to pay for the Services during the first Option Term, and 3.) reflect the fact that the County will have one (1) additional one (1) year option remaining under the Agreement (the "Amendment Regarding the First Option").

The Amendment Regarding the Extra Audit Work and the Amendment Regarding the First Option, together, comprise the proposed "First Amendment".

The proposed First Amendment will serve a public purpose by continuing to provide the Board with the services of an experienced auditing firm to analyze the County's financial statements and express an opinion on the County's financial status.

The goal and objective of the proposed First Amendment is to continue to provide the Board with professional auditing services for the County's financial statements.

The goal and objective of the proposed First Amendment is in the best interests of the County in terms of fiscal responsibility, as an experienced professional auditing firm continuing to provide the Services will supply the Board with information concerning the County's financial status, thereby enabling the Board to make informed decisions regarding the County's finances.

The goal and objective of the proposed First Amendment will be tracked and monitored by the staff of the Board.

I respectfully recommend the adoption of the attached resolution.

VG/GC/bdm/nn

RESOLUTION

Upon a communication from the Chairman of the Westchester County Board of Legislators, it is hereby:

RESOLVED, that the County of Westchester (the "County"), acting by and through its Board of Legislators (the "Board"), is hereby authorized to amend its agreement with PKF O'Connor Davies, LLP ("PKFOD"), pursuant to which PKFOD was to provide the Board with professional auditing services for the County's financial statements (the "Services"), including both the specific audit services previously solicited by the County, which will include the County being entitled to six (6) Federal 'Uniform Guidance' compliance audits, (the "Specific Services") and additional work that is closely related to the Specific Services (the "Additional Services"), for a term from January 1, 2024 through December 31, 2024 (the "Initial Term"), for an amount not-to-exceed \$535,000.00, payable as invoiced and consisting of a flat fee of \$525,000.00 for the Specific Services and an amount not-to-exceed \$10,000.00 that would be available to pay for possible Additional Services that would be billed at specified hourly rates, with the County having the option, in its sole discretion, to extend the term thereof for up to two (2) additional one (1) year periods (each an "Option Term") on the same terms and conditions for each Option Term as for the Initial Term, except that, a.) the flat fee for the Specific Services would be \$550,000.00 for the first Option Term and the flat fee for the Specific Services would be \$575,000.00 for the second Option Term, and b.) the funding to be made available for the possible Additional Services during each Option Term may be increased or decreased from the not-to-exceed amount made available for the Additional Services during the Initial Term, based upon the expected needs of the County, and such Additional Services shall instead be billed at the hourly rates specified in the agreement for each Option Term, (the "Agreement") by increasing its not-to-exceed amount by \$8,000.00 for the Initial Term, to a new total amount not-to-exceed \$543,000.00 for that term, with said increase being entirely allocated to paying for Additional Services that would be billed at the hourly rates specified in the Agreement for the Initial Term; and be it further

RESOLVED, that the County is authorized to exercise its first option under the Agreement and therefore amend the Agreement in order to, 1.) extend its term by one (1) year, to a new termination date of December 31, 2025, 2.) increase its not-to-exceed amount by \$560,000.00, consisting of a flat fee of \$550,000.00 for the Specific Services and an amount not-to-exceed \$10,000.00 that will be available to pay for possible Additional Services that would be billed at the hourly rates specified in the Agreement for the first Option Term, to pay for the Services during the first Option Term, and 3.) reflect the fact that the County will have one (1) additional one (1) year option remaining under the Agreement; and be it further

RESOLVED, that except as specifically hereby authorized to be amended, all terms and conditions of the Agreement shall remain in full force and effect; and be it further

RESOLVED, that the Chairman of the Westchester County Board of Legislators, or his duly authorized designee, is hereby authorized to execute any documents and take such actions reasonably necessary and appropriate to effectuate the purposes of this Resolution.

Account to be Charged/Credited:

Year	Fund	Dept	Major Program, Program & Phase Or Unit	Sub-unit	Object/ Sub- Object	Dollars
2024	101	52	2065		5100	\$8,000.00
2025	101	52	2065		5100	\$560,000.00

Budget Funding Year(s)
(must match resolution)

Start Date 1/1/24 End Date 12/31/25

Funding Source

Tax Dollars \$568,000.00

State Aid _____

\$568,000.00

Federal Aid _____

(must match resolution)

Other _____

APPROVED BOARD OF ACQUISITION & CONTRACT - 11/07/2024 - RAYMOND SCULLY, SECRETARY