
**CITY OF TEMPE
REQUEST FOR COUNCIL ACTION****Council Meeting Date: 04/14/2016
Agenda Item: 5B4**

ACTION: Approve a one-year contract renewal with Heinfeld, Meech & Company, P.C. for professional financial statement audit services for the Internal Services Department and other City departments on an as-needed basis.

FISCAL IMPACT: Total cost of this contract will not exceed \$130,000 during the contract renewal period. Sufficient funds have been appropriated in General Fund cost center 1831 (Accounting), Community Facilities District Fund cost center 5016 (Community Facilities District - Equipment, Insurance and Contingency), Transit Fund cost center 3911 (Transit Admin and Regional Services), Section 8 Housing Fund cost center 2772 (Section 8 Administration), and other City-wide cost centers as needed for anticipated expenditures in the current fiscal year.

RECOMMENDATION: Approve the contract renewal.

BACKGROUND INFORMATION: (FIT13-077-01) City Council originally approved the contract award to Heinfeld, Meech & Company, P.C. on June 13, 2013 for an initial one-year contract period with four, one-year renewal options. This renewal request is for the third of four available renewal options.

As required by State statute, City Charter, bond covenants, and Federal agencies, the City is required annually to have an independent accounting firm audit its financial statements. These statements include, but are not limited to, the Comprehensive Annual Financial Report, the Single Audit Report, and the Annual Expenditure Limitation Report. Without an annual audit of the City's financial statements the City would be in violation of the statutes and covenants which would preclude the City from receiving state shared revenues, issuing debt, or receiving federal grants.

Contractor Performance

The performance of Heinfeld, Meech & Company, P.C. was rated by City staff on the following criteria:

Criteria	Grade
Personnel are responsive, cooperative, and available	A
Overall quality of products or services delivered	A
Timeliness of performance	A
Quality of follow-up in resolving complaints or problems	A
Firm's promptness in submitting accurate invoices	A

(A = Exceeds Standards; B = Meets Standards; C = Below Standards)

RenewalCost

A five-year cost schedule was negotiated as part of the original contract. As a result, the City will realize an approximate 3.4 percent price increase for this renewal term.

ATTACHMENTS: N/A

STAFF CONTACT(S): Jerry Hart, CPA, Deputy Internal Services Director - Finance, (480) 350-8505

Department Director: Renie Broderick, Internal Services Director
Legal review by: David Park, Assistant City Attorney
Prepared by: Ted Stallings, CPPB, Procurement Officer