

Agenda

Budget, Capital and Personnel Committee

Tuesday, December 5, 2017 5:15 PM

Legislature Chambers

1. **Call to Order**
2. **Resolutions**
 - a. **Resolution**: Authorization for Contract with Insero & Co. for the Provision of Financial Auditing Services (ID #7460)
 - b. **Resolution**: Authorization to Execute Contract - Benetech Inc. - Department of Human Resources (ID #7464)
3. **Adjournment**



Tompkins County Legislature

Governor Daniel D. Tompkins Building
Ithaca, NY 14850

Meeting: 12/05/17 05:15 PM
Department: Finance Department
Category: Fiscal

Functional Category: Fiscal (Budget), Request for Proposals

SCHEDULED

RESOLUTION NO. *DOC ID: 7460*

**Authorization for Contract with Insero & Co. for the Provision of
Financial Auditing Services**

WHEREAS, by Resolution 2016-18 Tompkins County entered into a contract for auditing services with Insero & Co. CPAs (Certified Public Accountants) for the purpose of conducting external audits of the County's financial records for fiscal years 2015 and 2016, and

WHEREAS, the Finance Department has been directed by the Audit Committee to seek Request for Proposals (RFPs) for external auditing services for the fiscal years ending December 31, 2017, 2018, and 2019, and

WHEREAS, the Finance Department did issue an RFP for external auditing services in September 2017, and

WHEREAS, the County did receive five RFP responses from qualified financial auditing firms ranging from \$68,000 per year to \$156,000 per year, and

WHEREAS, the responses to the RFPs were evaluated by the members of the Audit Committee, a subset of the Budget, Capital, and Personnel Committee, and the results were presented to the Budget, Capital, and Personnel Committee, and

WHEREAS, the results showed that by both price and qualifications, the County should retain the firm of Insero & Co. CPAs of Ithaca, New York, to conduct the financial audits for the County's financial records for fiscal years 2017, 2018, and 2019, and that Insero & Co. CPAs has a significant understanding of the County's financial reporting systems, and that Insero & Co. CPAs would enhance the County's efforts to implement new accounting standards, now therefore be it

RESOLVED, on recommendation of the Budget, Capital, and Personnel Committee, That the Director of Finance be and hereby is authorized to accept the proposal for auditing services with Insero & Co. CPAs and is also authorized to execute a contract with Insero & Co. CPAs to perform financial auditing services for the fiscal years ending December 31, 2017, 2018, and 2019, with an option to extend the contract for two additional fiscal years.

SEQR ACTION: TYPE II-20

**Tompkins County Legislature**

Governor Daniel D. Tompkins Building
Ithaca, NY 14850

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- The cost for 2015 and 2016 was \$68,000, which is the same as the proposed contract for 2017, 2018, and 2019.
- The contract includes services for the County, Library, TCIDA/TCDC, Tompkins Tobacco Asset Securitization Corporation, Soil & Water, Ithaca Tompkins Regional Airport - PFC Audit, Mental Health, and the Federal Single Audit Report.

**Tompkins County
Finance Department**

125 East Court Street
Ithaca, New York 14850
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MEMORANDUM

To: Budget, Capital, and Personnel Committee
Hon. Michael Lane and the Board of Legislators

From: Rick Snyder, Director of Finance

Date: November 28, 2017

Subject: **Authorization for Contract with Insero & Co. CPAs, LLP for the Provision of Financial Auditing Services**

This memo accompanies the resolution on the same subject which is to be presented to the Budget, Capital, and Personnel Committee on December 5, 2017, and to the Legislature on December 5, 2017.

The County's contract for audit services with Insero & Co. CPAs, LLC has expired. Earlier this year, the Audit Committee gave direction to staff to prepare an RFP for audit services and solicit proposals for audit services for the fiscal years 2017, 2018 and 2019. In addition to the normal audit, the proposal included a requirement to perform a Federal grant audit (commonly referred to as "the single audit act") for the grants the County has received, most notably in the Social Services department, the Health department, the Mental Health department, the Planning and Sustainability department, the County Office for the Aging, the Airport, the Highway department, and the Department of Emergency Response.

The RFP (Request for Proposal) was made available electronically, and we sent "invitations" to the specs to 23 firms, 9 by fax and 14 by email. We received 5 responses. Each of these responses has been evaluated and scored by members of the Audit Committee, a subset of the Budget, Capital, and Personnel Committee. The **qualifications** we used summarized the professional, experience, technical, audit approach, and other qualifications of each responding firm.

We also evaluated the 5 firms based on **pricing**. The Pricing Summary is shown on the next page.

Recommendation of the Audit Committee

After review of all factors, the Audit Committee and staff would recommend that Insero & Co. CPAs, LLP be awarded the audit contract for fiscal years 2017, 2018, and 2019. The pricing proposal for Insero & Co. CPAs, LLP is provided as an attachment. If the Budget, Capital, and Personnel Committee agrees with this recommendation, the resolution will be forwarded to the December 5, 2017 Legislative meeting.

PRICING SUMMARY FOR AUDIT PROPOSALS - COUNTY AUDITS

	PFK O'Connor Davies, LLP	EFPR Group CPAs	Drescher & Malecki LLP	Insero & Co. CPAs, LLP	Bonadio & Co., LLP
Pricing					
FY 2017	150,000	85,000	104,858	68,000	108,500
FY 2018	153,000	85,000	106,955	68,000	103,500
FY 2019	156,000	85,000	109,094	68,000	103,500
<i>Fee</i>	459,000	255,000	320,907	204,000	315,500
Pricing Score (Maximum 30 points)	6	24	12	30	18

BID TABULATION - By Rank (Cost Alone)

Insero & Co. CPAs, LLP	204,000
EFPR Group CPAs	255,000
Bonadio & Co., LLP	315,500
Drescher & Malecki LLP	320,907
PFK O'Connor Davies, LLP	\$459,000

Legislative Action Needed

The legislature will be asked to adopt a resolution at its December 5, 2017 Legislative Meeting to authorize the Finance Director to accept the proposal for auditing services with Insero & Co. CPAs, LLP and to execute a contract with Insero & Co. CPAs, LLP to perform financial auditing services for the fiscal years ending December 31, 2017, 2018, and 2019, with an option to extend the contract for 2 additional fiscal years.

Please do not hesitate to contact me with any questions you may have.

attachment

Attachment: Memo-Authorization for Contract-Insero-Encl Audit (7460 : Resolution - Auditing Services)



Uncompromising Service Starts Here

Proposal to provide audit and advisory services to



Cost Proposal

Presented by:

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September 27, 2017

**Tompkins County
Request for Proposal
Audit of County Financial Statements for 2017, 2018 and 2019**

COST PROPOSAL SHEET

2017 Cost Proposal

County-wide F/S Audit	\$ 23,500
Ithaca Tompkins Regional Airport PFC Audit	\$ 3,500
Consolidated Fiscal Report (CFR)	\$ 5,000
Tompkins County Soil and Water Conservation District	\$ 5,000
Tompkins County Public Library Audit	\$ 8,000
Tompkins County Industrial Development Agency Audit	\$ 7,500
Tompkins Tobacco Asset Securitization Corporation Audit	\$ 4,000
Federal Single Audit Report	\$ 9,000
State Single Audit & State Transportation Assistance Expended Report	\$ 2,500
Total 2017 Cost	\$ 68,000

2018 Cost Proposal

County-wide F/S Audit	\$ 23,500
Ithaca Tompkins Regional Airport PFC Audit	\$ 3,500
Consolidated Fiscal Report (CFR)	\$ 5,000
Tompkins County Soil and Water Conservation District	\$ 5,000
Tompkins County Public Library Audit	\$ 8,000
Tompkins County Industrial Development Agency Audit	\$ 7,500
Tompkins Tobacco Asset Securitization Corporation Audit	\$ 4,000
Federal Single Audit Report	\$ 9,000
State Single Audit & State Transportation Assistance Expended Report	\$ 2,500
Total 2018 Cost	\$ 68,000

2019 Cost Proposal

County-wide F/S Audit	\$ 23,500
Ithaca Tompkins Regional Airport PFC Audit	\$ 3,500
Consolidated Fiscal Report (CFR)	\$ 5,000
Tompkins County Soil and Water Conservation District	\$ 5,000
Tompkins County Public Library Audit	\$ 8,000
Tompkins County Industrial Development Agency Audit	\$ 7,500
Tompkins Tobacco Asset Securitization Corporation Audit	\$ 4,000
Federal Single Audit Report	\$ 9,000
State Single Audit & State Transportation Assistance Expended Report	\$ 2,500
Total 2019 Cost	\$ 68,000

Company Name: Insero & Co. CPAs, LLP



Signed: _____

Date: September 27, 2017

Attachment: Memo-Authorization for Contract-Insero-Encl Audit (7460 : Resolution - Auditing Services)



Tompkins County Legislature

Governor Daniel D. Tompkins Building
Ithaca, NY 14850

Meeting: 12/05/17 05:15 PM
Department: Human Resources Department
Category: Agreements, Bids, Contracts, Grants
Functional Category:

SCHEDULED

RESOLUTION NO. *DOC ID: 7464*

1 **Authorization to Execute Contract - Benetech Inc. - Department of**
2 **Human Resources**

3 WHEREAS, the Department of Human Resources (“Department”) administers a comprehensive employee
4 benefit program which allows employees to benefit from Section 125 of the Internal Revenue Code, whereby
5 employees pay certain qualified expenses for select benefit plans on a pre-tax basis, and
6

7 WHEREAS, Flexible Spending Account (FSA) plans, and Health Reimbursement Accounts (HRA’s/VEBA),
8 are among the benefit programs offered, and have been implemented over time as a result of the collective bargaining
9 process, and
10

11 WHEREAS, the Department also complies with various labor laws and regulations pertaining to benefit
12 administration, including the Consolidated Omnibus Budget Reconciliation Act (COBRA), which is a federal law that
13 provides continuation of health insurance coverage to employees and eligible dependents who have lost health
14 insurance coverage due to separation from employment or other qualifying factors, and for which such premium is
15 fully paid by the employee, and
16

17 WHEREAS, the Department has outsourced the administration of these three (3) benefit programs for well
18 over a decade, and in determining the need to change vendors for improved service and compliance, the Department
19 issued a Request for Proposal (RFP), and received four (4) proposals from qualified vendors, which an RFP
20 Committee deemed it in the best interest of the County to award the contract to Benetech, Inc., of North Greenbush,
21 New York, and
22

23 WHEREAS, in addition to the programs mentioned above, both the Departments of Human Resources and
24 Finance administer a time-consuming process for billing County, Library, and Tompkins Cortland Community
25 College retirees for health insurance, and have determined that adding this process as a service to be managed by the
26 same third party administrator as will manage the above programs, is a cost-effective solution with the potential for
27 long-term savings and efficiencies, now therefore be it
28

29 RESOLVED, on recommendation of the Budget, Capital, and Personnel Committee, That the County
30 Administrator or his/her designee be and hereby is authorized to sign contract(s) and related documents with
31 Benetech, Inc., for a period of two years, with the option to renew the contract for three additional one-year terms
32 beginning January 1, 2018.

33 **SEQR ACTION: TYPE II-20**