

**FAIRFIELD TOWNSHIP  
RESOLUTION NO. 18-74**

**RESOLUTION AUTHORIZING ADMINISTRATOR TO EXECUTE EXTENSION  
AGREEMENT WITH AUDITOR OF STATE DAVE YOST AND BASTIN & COMPANY, LLC  
FOR ANNUAL AUDIT SERVICES.**

**WHEREAS:** Fairfield Township originally entered into a contract with Auditor of State Dave Yost (Auditor) and Bastin & Company, LLC for annual audit services for a contract period of 1/1/11 through 12/31/2015; and

**WHEREAS:** The parties wish to enter into an Extension Agreement for annual audits covering the period from 1/1/2016 to 12/31/2020; and

**WHEREAS:** The total fixed fees for the annual audits are set forth on the last page of Exhibit A.

**NOW, THEREFORE, BE IT RESOLVED,** by the Board of Trustees of Fairfield Township, Butler County, Ohio, as follows;

**SECTION 1:** The Board hereby authorizes the Administrator to execute the Extension Agreement attached hereto, incorporated herein and designated Exhibit A.

**SECTION 2:** The Board hereby dispenses with the requirement that this resolution be read on two separate days, pursuant to RC 504.10, and authorizes the adoption of this resolution upon its first reading.

**SECTION 3** This resolution is the subject of the general authority granted to the Board of Trustees through the Ohio Revised Code and not the specific authority granted to the Board of Trustees through the status as a Limited Home Rule Township.

**SECTION 4:** That it is hereby found and determined that all formal actions of this Board concerning and relating to the passage of this Resolution were taken in meetings open to the public, in compliance with all legal requirements including §121.22 of the Ohio Revised Code.

**SECTION 5:** This resolution shall take effect at the earliest period allowed by law.

**Adopted:** May 9, 2018

**Board of Trustees**

Susan Berding: Susan Berding  
Shannon Hartkemeyer: Shannon Hartkemeyer  
Joe McAbee: Joe McAbee

**Vote of Trustees**

Yes  
Yes  
Yes

**AUTHENTICATION**

This is to certify that this is a resolution which was duly passed, and filed with the Fairfield Township Fiscal Officer this 9th day of May, 2018.

**ATTEST:**

Shelly Schultz  
Shelly Schultz, Fairfield Township Fiscal Officer

**APPROVED AS TO FORM:**

L.E. Barbieri  
Lawrence E. Barbieri, Township Law Director



# Dave Yost • Auditor of State

## EXTENSION AGREEMENT

This Agreement between Auditor of State Dave Yost (Auditor), Fairfield Township  
Butler County (Public Office), and Bastin & Company, LLC an  
 independent public accountant (IPA), extends an existing agreement between these parties as identified in SECTION  
 I below and incorporated herein by reference. These parties agree to abide by all terms and conditions of the  
 original agreement, except as specifically identified in Section II below, and that no remuneration will be granted  
 in relation to work performed under this modification/extension prior to the execution of this Agreement by  
 all parties.

### SECTION I – ORIGINAL CONTRACT INFORMATION

Public Office Name on RFP Fairfield Township  
 Original Contract Period 01/01/11 - 12/31/15  
 Date RFP was issued 3/6/2012 Date MOA Executed 6/19/2012  
 Public Office Contact Nancy Bock E-mail nbock@fairfieldtwp.org  
 IPA Contact Wayne Bastin E-mail bastinw@msn.com

### SECTION II – EXTENSION INFORMATION

Extension Period: 1/1/2016 to 12/31/2020  
 Check one; Annual Audit  or Biennial Audit

The RFP and related contract are hereby amended for the audit periods noted above as follows:

### Work Papers, Work Product, and Records Retention

The IPA will maintain all engagement documentation in segregated files. The IPA agrees to provide the Auditor of State unconditional access to examine and review engagement documentation created or obtained by the IPA involving its performance under the contract. The IPA agrees to provide copies of any engagement documentation determined necessary by the Auditor of State. The Auditor of State is bound by ORC 4701.19, which provides that an IPA's engagement documentation remains the property of the IPA, even in the possession of the Auditor of State's office, and are not public records available for public disclosure. In the case of support for a finding for recovery, the Auditor of State may request the IPA to sign a limited waiver of this statutory provision. The IPA also will maintain and provide access to timesheets and expense reports that support the IPA's invoices under the contract. All such engagement documentation, timesheets, and expense reports shall be retained by the IPA for a period of five (5) years from the date of completion of the contract.

Extension Agreement  
Fairfield Township

## **SECTION II – EXTENSION INFORMATION (continued)**

### **Review of Reports and Work Papers - Access to / Retention Thereof**

Furthermore, should it be necessary for AOS to send a notice of proposed finding regarding a potential finding for recovery, AOS will require the IPA to execute a limited waiver, to be prepared by AOS. It is the AOS' policy to allow the individual subject to the proposed FER to review the engagement documentation (i.e. work papers) on which the proposed finding is based. Since Ohio Rev. Code § 4701.19 provides that an IPA's engagement documentation remains the property of the IPA, even in the possession of the AOS, it is necessary for the IPA to execute the limited waiver for the sole purpose of permitting AOS to show supporting documents (i.e. work papers) to those subject to proposed findings for recovery.

### **Federal Awards**

The IPA firm anticipates 0 major programs to be included in the Single Audit testing for each year of the contract.

Note – The Single Audit threshold was modified from \$500,000 to \$750,000 for audits with fiscal years beginning on or after 12/26/14.

### **Contract Modifications**

Modifications should only be requested for issues which were not known at the time of the original proposal, including but not limited to, changes in accounting or professional standards, changes in reporting entity, significant changes in funding, etc. IPA firms must complete the Modification Agreement Form, after any necessary discussions with the Auditor of State representative, and obtain Public Office approval. The Auditor of State will review, and if determined appropriate, approve the signed Modification Agreement, which will set forth the terms of the contract between the Auditor of State, the Public Office, and the firm. **Such agreement must be executed by the Auditor of State prior to the performance of any additional work. No remuneration will be granted in relation to work performed prior to execution of such agreement.** Any additions or reductions to the work agreed to between the Public Office and the firm shall be at an hourly rate that will not exceed the average hourly rate for the corresponding fiscal period set forth in the schedule of fees and expenses included in the sealed dollar cost bid, except in limited circumstances approved by the Auditor of State where the total cost for the audit period does not exceed the original proposed amount. The Modification Agreement Form is available on the Auditor of State's website.

The IPA shall complete the communications required by the group engagement team (GET) instructions regarding the "Supplemental Information Package" submitted by the public office to the Ohio Office of Budget and Management for inclusion in the State of Ohio Basic Financial Statements. These communications should be sent directly to the Auditor of State, State Region office, as indicated in the instructions from the GET, by October 15<sup>th</sup> of each year audited.

### **Hinkle Annual Financial Data Reporting System (Hinkle System)**

As required by Ohio Revised Code 117.38, local public offices must file their annual financial reports with the Auditor of State (AOS). As described in Auditor of State Bulletin 2015-007, all entities required to file with the AOS must file electronically via the Hinkle Annual Financial Data Reporting System (Hinkle System).

As required by the Bulletin, any independent public accounting (IPA) firms contracted to perform audits for the AOS will audit the financial statements uploaded and submitted to the AOS via the Hinkle System. At the commencement of the audit, the IPA will verify with the entity that the financial statements submitted via the Hinkle System are the final, unaudited financial statements for the audit period. If the financial statements required modification, the entity must contact the AOS at [HinkleSystem@ohioauditor.gov](mailto:HinkleSystem@ohioauditor.gov) in order to re-file.

When financial statements filed via the Hinkle System are audited by the IPA firm, the Hinkle System will include an audit adjustment application which requires the IPA firm to key in audit adjustments for cities, counties, schools, community schools, townships, libraries and villages to Hinkle System data as part of the audit finalization procedures. The adjustments should be entered prior to submitting the final report package to [ipareport@ohioauditor.gov](mailto:ipareport@ohioauditor.gov).

Completed forms should be e-mailed to: [IPACorrespondence@ohioauditor.gov](mailto:IPACorrespondence@ohioauditor.gov) (or faxed to 866-603-0003)

Extension Agreement  
Fairfield Township

### Manner of Payment

The Auditor of State requires that electronic invoices be submitted for Auditor of State approval via the IPA Portal billing process prior to presenting the invoice to the Public Office for payment. No payments should be processed by the Public Office without Auditor of State approval.

Progress payments should be made on the basis of work completed during the billing period incurred in accordance with the firm's cost proposal. Interim billings shall cover a period of not less than a calendar month. Billings for work completed must be submitted to the Auditor of State timely.

For the final billing, invoices will be processed as above; however, they must provide total actual hours for the engagement. In addition, invoices must be submitted no later than 90 days after the release of the report by the Auditor of State's Clerk of the Bureau. Invoices may NOT be permitted to be submitted and accepted for processing after the 90 days have expired.

All invoices must certify that all amounts set forth therein are properly due and payable for work performed by the IPA and/or by the specified qualified subcontractors, if applicable.

Subject to approval of the billing, the amount paid to the IPA for each billing shall be the total amount billed. However, under no circumstances shall the total amount paid prior to final acceptance of the engagement work for the fiscal period in question exceed eighty (80) percent of the total fee for the current engagement fiscal period, as specified in the contract. Upon approval of the final reports by the Auditor of State, the IPA may submit an invoice for the remainder due for the current engagement fiscal period. No payment shall be construed as acceptance of the engagement work or of any reports by the Auditor of State.

The Auditor of State may inspect the records and work papers of the IPA and of any subcontractor to determine the validity of billings. Adequate records shall be maintained by the IPA to support all billings.

THIS SPACE INTENTIONALLY LEFT BLANK.

### Date Final Report is Due

It is anticipated this process will be completed and the final report delivered by June 30th for each engagement period of the contract. The final report package should be e-mailed to [ipareport@ohioauditor.gov](mailto:ipareport@ohioauditor.gov) no later than this date.

### Affirmations

The IPA shall mark "Affirmed" or "N/A," as applicable, for each of the affirmations noted in the attached Mandatory Elements Form.

Cost: Refer to the attached Schedule of Professional Fees and Expenses for details related to the costs associated with this Extension.

Completed forms should be e-mailed to: [IPACorrespondence@ohioauditor.gov](mailto:IPACorrespondence@ohioauditor.gov) (or faxed to 866-603-0003)

Extension Agreement  
Fairfield Township

**SECTION III – RECITALS/APPROVAL**

Due to the need for a contract extension, as stated in SECTION II above, the parties with intent to be legally bound agree as follows:

1. IPA shall, in the performance of its engagements related to the Public Office for the fiscal period(s) set forth in the original Contract, previous Modification Agreements, and in this Agreement, perform all engagement work as set forth in the original Memorandum of Agreement, previous Modifications Agreements and in this Agreement;
2. The performance of the engagement work provided for in this Agreement, and all related payments provided for herein, shall in all respects be subject to the terms and conditions set forth in the original Contract;
3. Should this extension result in the total hours of the contract to exceed the threshold established for use of a MBE/EDGE subcontractor, the IPA shall follow all minority participation and other relevant requirements of the original contract. If applicable, the required MBE/EDGE subcontractor with respect to this Agreement will be:

Subcontractor: NOT APPLICABLE

Address: \_\_\_\_\_

4. Should this extension involve the use of other subcontractors, the IPA shall follow all relevant requirements of the original contract. If applicable, the other subcontractor with respect to this Agreement will be:

Subcontractor: NOT APPLICABLE

Address: \_\_\_\_\_

In the event of any conflict or inconsistency between the provisions of this Agreement and the parties' prior contract, the provisions of this Agreement shall control in all respects.

IN WITNESS WHEREOF, Auditor, Public Office and IPA have executed this agreement.

**Wayne N. Bastin**

Digitally signed by Wayne N. Bastin  
DN: cn=Wayne N. Bastin, o, ou=Bastin &  
Company, LLC, email=bastinw@msn.com,  
c=US  
Date: 2016.08.26 14:03:31 -04'00'

\_\_\_\_\_  
Bastin & Company, LLC

\_\_\_\_\_  
8/26/2016  
Date

*Nancy A. Beck*  
\_\_\_\_\_  
Legislative Authority or Designee for Fairfield Township

\_\_\_\_\_  
8/29/16  
Date

**Ami M. Mayne**

Digitally signed by Ami M. Mayne  
DN: dc=us, dc=oh, dc=state, dc=auditor,  
ou=AOS, ou=Audit Administration, cn=Ami M.  
Mayne, email=AMMayne@ohioauditor.gov  
Date: 2016.09.13 13:45:20 -04'00'

\_\_\_\_\_  
Auditor of State

\_\_\_\_\_  
Date

Completed forms should be e-mailed to: [IPACorrespondence@ohioauditor.gov](mailto:IPACorrespondence@ohioauditor.gov) (or faxed to 866-603-0003)

**FAIRFIELD TOWNSHIP**

Butler County

SCHEDULE OF PROFESSIONAL FEES AND EXPENSES  
TO SUPPORT THE TOTAL ALL-INCLUSIVE FIXED FEE  
FOR AUDIT SERVICES -- 01/01/16 - 12/31/2020 EXTENSION

		<u>Hours</u>	<u>Average Hourly Rate</u>	<u>Total Fixed fee</u>	<u>Amount attributed to MBE/EDGE (if applicable)</u>
Partners		<u>25</u>			
Managers		<u>75</u>			
Supervisory staff		<u>          </u>			
Staff		<u>40</u>			
Other (specify):		<u>          </u>			
Total for period ending	2016	<u>140</u>	\$ <u>64</u>	\$ <u>8,960</u>	\$ <u>          </u>
		<u>Hours</u>	<u>Average Hourly Rate</u>	<u>Total Fixed fee</u>	<u>Amount attributed to MBE/EDGE (if applicable)</u>
Fiscal period ending	2017	<u>140</u>	\$ <u>64</u>	\$ <u>8,960</u>	\$ <u>          </u>
Fiscal period ending	2018	<u>140</u>	\$ <u>65</u>	\$ <u>9,100</u>	\$ <u>          </u>
Fiscal period ending	2019	<u>140</u>	\$ <u>66</u>	\$ <u>9,240</u>	\$ <u>          </u>
Fiscal period ending	2020	<u>140</u>	\$ <u>66</u>	\$ <u>9,240</u>	\$ <u>          </u>
Total for fiscal periods	<u>2016 - 2020</u>	<u>700</u>	\$ <u>          </u>	\$ <u>45,500</u>	\$ <u>0</u>