

RESOLUTION NO. 10 - 2019

Moved by: Bis Jallak

A Resolution approving a professional services agreement with Trout, Ebersole & Groff, LLP, CPAs and Business Advisors, to conduct a reconciliation of the Compensated Absences Liability and Neighborhood Fund Receivable accounts of the City of Harrisburg for the year-ending December 31, 2018.

WHEREAS, the City is in need of a qualified CPA firm to reconcile the City's Compensated Absences Liability and Neighborhood Fund Receivable accounts (the "Accounts") for the year-ending December 31, 2018; and

WHEREAS, the City has reviewed the qualifications of Trout, Ebersole & Groff, LLP, CPAs and Business Advisors, (the "Firm") and is satisfied that the Firm has the necessary skill and experience to conduct reconciliations; and

WHEREAS, the Firm's proposed Professional Services Agreement (the "Agreement") is attached as "Exhibit A" for approval.

NOW, THEREFORE, BE IT AND IT IS HEREBY RESOLVED, BY THE COUNCIL OF THE CITY OF HARRISBURG, that the Professional Services Agreement with Trout, Ebersole & Groff, LLP, CPAs and Business Advisors is approved.

BE IT FURTHER RESOLVED that the Mayor, City Controller and other appropriate City officials are authorized and directed to take all steps necessary to cause the Agreement to be executed and to further effectuate the purpose of this resolution.

I second this resolution: Walter Major

YEAS		NAYS
	MR. ALLATT MS. BOWERS MS. DANIELS MS. GREEN MR. MADSEN MR. MAJORS MS. WILLIAMS	
Yeas	<u>7</u>	
Nays	<u>0</u>	

Passed the City Council MARCH 12, 2019

Walter R. D. Williams

President of City Council

Attest

Chondra Tyson
Asst. City Clerk

[]

E x h i b i t “A”

January 21, 2019

Honorable Eric Papenfuse, Major
City of Harrisburg
10 North Second Street
Harrisburg, PA 17101-1678

Dear Mayor Papenfuse,

This letter outlines our understanding of the terms and objectives of the additional services you have engaged us to perform for the City of Harrisburg for the year ending December 31, 2018. The following services will be performed for management purposes only.

Reconcile the following accounts, and prepare related work papers:

- Compensated Absences Liability
- Neighborhood Fund (Utility) Receivables

You are responsible for assuming all management responsibilities and for overseeing the reconciliation services we provide by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, or experience. The responsible individual designated is Bruce Weber. In addition, you are responsible for evaluating the adequacy and results of the services performed and accepting responsibility for the results of such services.

None of these services can be relied on to detect errors, fraud or illegal acts that may exist. However, we will inform you of any material errors that come to our attention and any fraud or illegal acts that come to our attention, unless they are clearly inconsequential. In addition, we have no responsibility to identify and communicate significant deficiencies or material weaknesses in your internal control as part of this engagement.

ENGAGEMENT ADMINISTRATION AND OTHER PROVISIONS

Appendix A is an integral part of this engagement letter and contains additional provisions relevant to our services.

SERVICE | ANSWERS | TRUST

LANCASTER OFFICE: 1705 Oregon Pike, Lancaster, PA 17601 • 717-569-2900 • Fax 717-569-0141
CAPITAL REGION OFFICE: 5000 Ritter Road, Suite 104, Mechanicsburg, PA 17055 • 717-697-2900 • Fax 717-697-2002

ENTIRE AGREEMENT

This engagement letter is contractual in nature, and includes all of the relevant terms that will govern the engagement for which it has been prepared. The terms of this letter supersede any prior oral or written representations or commitments by or between the parties. Any material changes or additions to the terms set forth in this letter will only become effective if evidenced by a written amendment to this letter, signed by all of the parties.

CONCLUSION

We appreciate the opportunity to be of service to you and believe that this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Respectfully yours,

Trout, Ebersole & Groff, LLP

TROUT, EBERSOLE & GROFF, LLP
Certified Public Accountants

Acknowledged:

This letter correctly sets forth our understanding.

Mayor: _____

City Controller: _____

Approved as to form and legality:

Law Bureau: _____

APPENDIX A – ENGAGEMENT ADMINISTRATION AND OTHER PROVISIONS

Electronic Communications

In connection with the engagement, we may communicate with you or others via email transmission. As emails can be intercepted and read, disclosed, or otherwise used or communicated by an unintended third party, or may not be delivered to each of the parties to whom they are directed and only to such parties, we cannot guarantee or warrant that emails from us will be properly delivered and read only by the addressee. Therefore, we specifically disclaim and waive any liability or responsibility whatsoever for interception or unintentional disclosure of emails transmitted by us in connection with the performance of this engagement. In that regard, you agree that we shall have no liability for any loss or damage to any person or entity resulting from the use of email transmissions, including any consequential, incidental, direct, indirect, or special damages, such as loss of revenues or anticipated profits, or disclosure or communication of confidential or proprietary information.

Fees

Our fees are based upon the time and skill required and the value added by the personnel working on the engagement. Interim billings may be submitted as services are rendered. We will submit our bill for these services promptly upon rendering the report. Billings become delinquent if not paid within 30 days of the invoice date. If billings are past due in excess of ninety days, we will stop all work until your account is brought current or withdraw from this engagement. You acknowledge and agree that we are not required to continue work in the event of your failure to pay on a timely basis for services rendered as required by this engagement letter. You further acknowledge and agree that in the event we stop work or withdraw from this engagement as a result of your failure to pay on a timely basis for services rendered as required by this engagement letter, we shall not be liable to you for any damages that occur as a result of our ceasing to render services.

Should the account become delinquent and/or be referred to an attorney or collection agency for collection, you understand that you will be responsible to pay reasonable attorney’s fees, interest or any other collection expenses whether suit is filed or not. Delinquent accounts (those not paid within 30 days from the date of invoice) may incur late fees or bear interest on the unpaid amount up to the maximum allowed by law.

Our fees will be based upon discounted hourly rates for the personnel assigned to your engagement, as follows:

	Rate
Partner	\$275
Manager/Supervisor	\$185
Professional Staff	\$105
Support Staff	\$75

We estimate that our fees for this engagement will be \$5,775. You acknowledge that this range is not a limit to the total fees we may charge for our services, and that our fees may actually exceed that range. However, in the event that we encounter unusual circumstances that would require us to expand the scope of the engagement, and/or if we anticipate our fees exceeding the aforementioned range, we will adjust our estimate, and obtain your prior approval before continuing with the engagement.

Cost of Legal Procedures

In the event we are called upon by means of subpoena, court order or otherwise to produce documents or provide testimony in any litigation, arbitration, or any other legal proceeding or investigation, you agree to compensate us at our standard hourly rate for any time we expend in complying therewith, and to reimburse us for any costs that we incur in that regard.

Hold Harmless

In the event that we are or may be obligated to pay any cost, settlement, judgment, fine, penalty, or similar award or sanction as a result of a claim, investigation, or other proceeding instituted by any third party, then to the extent that such obligation is or may be a direct or indirect result of known misrepresentations of management in connection with this engagement, and not any failure on our part to comply with professional standards, and unless prohibited by law, you agree to indemnify us, defend us, and hold us harmless as against such obligations.

Limitation of Liability

With respect to any services, work product, or other deliverables hereunder, or this engagement generally, and unless prohibited by law, the firm's liability to you shall in no event exceed the fees that it receives for the portion of the work giving rise to liability, nor shall the firm's liability include any special, consequential, incidental, or exemplary damages or loss, including any lost profits, savings, or business opportunity.

Dispute Resolution Procedures

The parties of this engagement both agree that any dispute over fees charged by the accountant to the client will, prior to resorting to litigation, be submitted to mediation upon the written request of any party to the engagement. Any such mediation or ensuing litigation must be initiated within one year from the date the communication giving rise to such claim arises and must be brought within Dauphin County, Pennsylvania and shall be conducted in accordance with the laws of Pennsylvania. All mediations initiated as a result of this engagement shall be administered by the American Arbitration Association. The results of this mediation shall be binding only upon agreement of each party to be bound. Costs of any mediation proceeding shall be shared equally by both parties.

Notwithstanding anything contained herein, both accountant and client agree that regardless of where the client is domiciled and regardless of where this engagement letter is physically signed, this engagement letter shall have been deemed to have been entered into at our office located in Lancaster County, Pennsylvania, USA and Lancaster County, Pennsylvania, USA shall be the exclusive jurisdiction for resolving disputes related to this engagement letter. This engagement letter shall be interpreted and governed in accordance with the Laws of the Commonwealth of Pennsylvania.

INTER

OFFICE

MEMO

To: HARRISBURG CITY COUNCIL
From: Kirk Petroski, City Clerk
LEGISLATIVE APPROVAL FORM

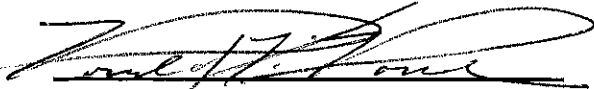
Date:

LEGISLATIVE APPROVAL FORM/CERTIFICATE OF ACCEPTANCE

BILL NO. - 2019

RESOLUTION NO. 10-2019

THE ABOVE LISTED ITEM WAS WRITTEN AND PREPARED FOR FINAL INTRODUCTION AT THE HARRISBURG CITY SOLICITOR'S OFFICE ON:



Deputy City Solicitor

1/24/2019

Date

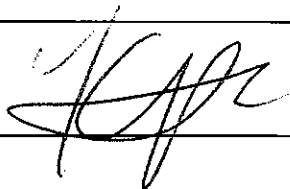
Requested by Department/Bureau: Finance

Department/Bureau Contact Person: Bruce Weber

For Action on or before:

The attached was received in the Office of the City Clerk for introduction on

Received by:



Date:

1-25-19