

**City of Northampton**  
MASSACHUSETTS

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**In City Council**

August 17, 2023

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Upon the recommendation of the Finance Committee

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**23.361 An Order to Award Contract for FY2024 - FY2026 Audit to Scanlon and Associates**

*Whereas*, Section 7-6 of the Northampton City Charter requires that the City Council annually provide for an outside audit of the books and accounts of the city to be conducted by a certified public accountant or by a firm of certified public accountants, which has no personal interest, direct or indirect, in the fiscal affairs of the city or any of its officers; and

*Whereas*, Section 7-6 further requires that the award of a three-year contract to audit shall be made by the City Council on or before September 15<sup>th</sup> of every third year; and

*Whereas*, on September 3, 2020, the City Council last awarded a three-year contract for auditing services to Scanlon and Associates, LLC.

*Now, therefore, be it ordered,*

That the City Council hereby awards a three-year contract for auditing services for FY2024, FY2025 and FY2026 to Scanlon and Associates, LLC at the prices and rates quoted in the proposal dated May 9, 2023 attached hereto.



May 9, 2023

To the Honorable City Council  
City of Northampton  
210 Main Street  
Northampton, MA 01060

Dear Council Members:

Thank you for the opportunity to submit a proposal for audit services for the City of Northampton, Massachusetts. Scanlon and Associates, LLC is independent of the City of Northampton, Massachusetts as defined by professional standards (AICPA) and government auditing standards (yellow book). Scanlon and Associates, LLC has met peer review standards as defined by the American Institute of Certified Public Accountants (AICPA). All partners and staff to be assigned to the City's engagement have extensive knowledge and experience of auditing municipalities and have met the continuing education requirements as defined by auditing standards.

We are excited about the opportunity to continue working with the City. We believe our firm provides timely, quality work and excellent service at a reasonable fee and would be of great value to the City. Some of the reasons to select our firm include our experience, our personnel, our process and our commitment to ensure quality work.

A summary of audit fees for fiscal years 2024, and optional years for 2025 and 2026 is as follows:

<u>Fiscal Year</u>	<u>Financial Statement Audit</u>	<u>Single Audits (a)</u>	<u>School End of Year Reports (2) - AUP</u>	<u>Retirement GASB 67/68</u>
2024	\$ 52,000	\$ 9,600	\$ 10,000	\$ 7,000
<b>(Optional)</b>				
2025	\$ 53,000	\$ 9,600	\$ 10,000	\$ 7,000
2026	\$ 54,000	\$ 9,600	\$ 10,000	\$ 7,000

**(a)** The fee amount is based on 4 major programs being tested. Historically Northampton has averaged between 3 – 4 major programs for the single audit.

The increase from fiscal year 2023 fees are mainly due to new GASB's, increased reporting requirements, increased programs/activities within the City and increased audit requirements.

We appreciate this opportunity to continue to be service to you. If you have any questions, please contact us immediately.

Sincerely,

*Scanlon and Associates, LLC*

Thomas J. Scanlon Jr., CPA  
Scanlon and Associates, LLC