



Berkeley Housing Authority

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Office of the Executive Director

Item 6B
New Business
April 12, 2012

To: Honorable Chairperson and
Members of the Housing Authority Board

From: *Tia Ingram*
Tia M. Ingram, Executive Director

Subject: Amending the contract with Patel and Associates increasing the contract authority by \$26,000, for a total not to exceed \$67,150, for audit services covering FY2011-2012 and ARRA and Capital Fund Grants and extending the term through March 31, 2013.

RECOMMENDATION

Approve a resolution amending the Contract with Patel and Associates increasing the contract authority by \$26,000, for a total not to exceed \$67,150, for audit services covering FY2011-2012 and ARRA and Capital Fund Grants and extending the term through March 31, 2013.

BACKGROUND

The Housing Authority is required to have an independent audit of its financial reports on an annual basis. The audit report for the Federal Programs, Section 8 Housing Choice voucher and Low Income Public Housing, is due to the U.S. Department of Housing and Urban Development (HUD), nine months after the close of the fiscal year. Since BHA is on a July 1 – June 30 fiscal year, the submission is due by March 31st of the subsequent fiscal year. The audit report for the State Housing and Community Development Program (Rental Housing Construction Program) is due by August 31st of each year. In addition, PHA's receiving Capital Fund grants (including ARRA grant) are required to have a separate audit and submit an Independent Public Accountant report to the HUD Public Housing Field Office Director within nine months after the beginning of the next fiscal year to complete the fiscal close-out of the Capital Fund grant.

On May 13, 2010, the BHA Board of Commissioners approved a resolution authorizing the Executive Director to execute a two-year contract with Patel and Associates as the Independent Public Auditor for Single Audit Services for Fiscal Years ending June 30, 2010 and June 30, 2011, with a one-year option to renew. The two-year contract expired on March 31, 2012.

BHA anticipates the audit of the current fiscal year's financial statements (ending June 30, 2012) in July or August 2012 and would like to exercise the one-year renewal option with the current Independent Auditor.

FINANCIAL IMPACTS OF RECOMMENDATION

\$26,000 for FY2011-2012 annual audit services and Capital Fund and ARRA grants close out.

CONTACT PERSON

Jesy Yturalde, Finance Manager, 981-5488

Tia M. Ingram, Executive Director, 981-5471

Attachments:

1. Resolution

BERKELEY HOUSING AUTHORITY
Resolution 12-

AMENDING THE CONTRACT WITH PATEL AND ASSOCIATES INCREASING THE CONTRACT AUTHORITY BY \$26,000, FOR A TOTAL NOT TO EXCEED \$67,150, FOR AUDIT SERVICES COVERING FY2011-2012 AND ARRA AND CAPITAL FUND GRANTS AND EXTENDING THE TERM THROUGH MARCH 31, 2013.

WHEREAS, the Berkeley Housing Authority is required by the US Department of Housing and Urban Development (HUD) to have an annual audit of its comprehensive annual financial reports; and

WHEREAS, the Berkeley Housing Authority is further required by the State of California, Department of Housing and Community Development to have an annual audit of its comprehensive annual financial reports; and

WHEREAS, the Berkeley Housing Authority is required to have a separate audit and submit an Independent Public Accountant report to the HUD Public Housing Field Office Director within nine months after the beginning of the next fiscal year to complete the fiscal close-out of the Capital Fund grant; and

WHEREAS, on May 13, 2010, the BHA Board of Commissioners approved a resolution authorizing the Executive Director to execute a two-year contract with Patel and Associates as the Independent Public Auditor for Single Audit Services for Fiscal Years ending June 30, 2010 and June 30, 2011, with a one-year option to renew; and

WHEREAS, the two-year contract expired on March 31, 2012; and

WHEREAS, the current fiscal year ends on June 30, 2012 and the Independent Audit Report is due to HUD before March 31, 2013; and

NOW, THEREFORE BE IT RESOLVED that the Executive Director is authorized to amend the Contract with Patel and Associates increasing the contract authority by \$26,000, for a total not to exceed \$67,150, for audit services covering FY2011-2012 and ARRA and Capital Fund Grants and extending the term through March 31, 2013.

The foregoing Resolution was adopted by the Board of the Berkeley Housing Authority on April 12, 2012 by the following vote:

Ayes:
Noes:
Absent:

Attest: _____
Tia M. Ingram, Secretary