

## RESOLUTION 20-63

### **A RESOLUTION OF THE ALEUTIANS EAST BOROUGH ASSEMBLY AUTHORIZING THE MAYOR TO NEGOTIATE AND EXECUTE A CONTRACT AGREEMENT BETWEEN THE ALEUTIANS EAST BOROUGH AND ESPELIN & ASSOCIATES, LLC FOR FULL-CHARGE BOOKKEEPING SERVICES IN AN AMOUNT NOT TO EXCEED \$11,545**

**WHEREAS**, in February 2018 the Aleutians East Borough (Borough) hired BDO to provide professional auditing services to the Borough for the fiscal years ending June 30, 2018 and June 30, 2019; and

**WHEREAS**, BDO identified findings in the FY18 and FY19 audits; and

**WHEREAS**, Findings 2018-04 and 2019-003 Journal Entry Review – Internal Control over Financial Reporting – Significant Deficiency – Internal controls were not established to ensure that all journal entries must be reviewed and approved by an individual who did not prepare the entry but who is knowledgeable of the facts and circumstances related to the entry; and

**WHEREAS**, Borough Administration and BDO developed correction action plans for findings 2018-04 and 2019-0003 that entailed having the Finance Director prepare all entries for review by a third party; and

**WHEREAS**, Borough Administration believes it would be in the Borough's best interest to solicit a Full-Charge Bookkeeper (Bookkeeper) to review and conduct an assessment of the Borough's general ledgers and journal entries for compliance with the governmental auditing standards and legal requirements; and

**WHEREAS**, on April 8, 2020 Borough administration issued a Request for Proposal (RFP) for a Bookkeeper to conduct an assessment of the Borough's general ledgers and journal entries, and draft a Plan of Action to continue to address the audit findings; and

**WHEREAS**, on May 4, 2020 the Borough received one proposal from Espelin & Associates, llc in response to the RFP; and

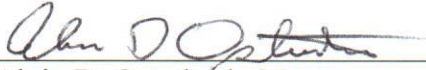
**WHEREAS**, on May 5, 2020 a selection committee met to review the proposal; and

**WHEREAS**, the selection committee recommends the Borough issue a contract to Espelin & Associates, llc to provide conduct an assessment of the Borough general ledgers and journal entries and to draft a Plan of Action; and


**WHEREAS**, funds are available in the Project Contingency line item (E 20-866-209-888 PROJECT CONTINGENCY) for this service.

**NOW THEREFORE, BE IT RESOLVED**, the Aleutians East Borough Assembly authorizes the mayor to negotiate and execute a contract agreement between the Aleutians East Borough and Espelin & Associates, llc for Full-Charge Bookkeeping Services in an amount not to exceed \$11,545.

**PASSED AND ADOPTED** by the Aleutians East Borough on this 14<sup>th</sup> day of May, 2020.

  
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Alvin D. Osterback, Mayor

ATTEST:

  
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Tina Anderson, Clerk