



**SKODA MINOTTI**

CPAs, BUSINESS & FINANCIAL ADVISORS

Delivering on the Promise.

ORDINANCE NO. 2018-10

"Exhibit A"

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February 8, 2018

**Via e-mail transmission**

Stephen L. Byron  
Acting Willoughby Hills Law Director  
c/o Singerman, Mills, Desberg & Kauntz Co., L.P.A.  
3333 Richmond Road, Suite 370  
Beachwood, OH 44122

**RE: Forensic Services for the City of Willoughby Hills**

Dear Mr. Byron:

This letter will set forth the terms of our engagement with respect to conducting a forensic examination of selected disbursements paid by the City of Willoughby Hills ("City") during the period January 1, 2012 through December 31, 2017 (the "Examination Period").

**NATURE, PURPOSE AND OBJECTIVE**

You have requested us to initially perform the following tasks:

1. Examine the general ledgers, disbursement journals, purchase orders, payment authorizations and corresponding source documentation associated with general fund expense reimbursements paid to individuals during the Examination Period.
2. Such other procedures and activities that may be requested by you.

We will not examine any financial transactions involving cash receipts or disbursements involving the operations of the Willoughby Hills Mayor's Court.

We will meet with you and any elected officials as may be requested by you to discuss the status of our work and to review our analysis and findings. Upon request, we will draft a written report of our findings and conclusions that would be an addendum to this engagement.

**OUR REPRESENTATIONS**

Skoda Minotti (the "Firm") agrees that it shall hold in strict confidence all information provided by you in connection with this engagement and shall not share any confidential information with

Cleveland | 6685 Beta Drive, Mayfield Village, Ohio 44143 | ph 440 449 6800 | fx 440 648 1815  
Akron | 3320 West Market Street, Suite 300, Fairlawn, Ohio 44333 | ph 330 668 1100 | fx 440 648 1615  
Tampa | 201 East Kennedy Boulevard, Suite 1500, Tampa, Florida 33602 | ph (813) 288-8825 | fx (813) 288-8836  
Skoda Minotti | Certified Public Accountants | www.skodaminotti.com

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persons outside the Firm or with departments within the Firm that are not involved in the engagement.

Fraud by nature is a willful intent to deceive. Our engagement does not constitute a guarantee that any and all frauds will be discovered as a result of our procedures and analysis.

#### **CLIENT RESPONSIBILITIES**

You will coordinate efforts to make available to us in an electronic or paper format all disbursement records, general ledgers, disbursement journals, paid invoices, bank statements, cancelled checks, wire transfer substantiation, financial, and nonfinancial information and other documentation we deem necessary in the performance of our work.

Possession of the work papers, electronic data or other written documentation regarding the engagement does not carry with it the right of publication of all or part of it, nor may it be used or relied upon without previous written consent for any purpose other than that set forth above. No third parties are intended to be benefited. Schedules, information and other work papers developed during the engagement by the Firm or supplied by you are the sole property of the Firm and are not subject to examination or production at any time during or after the engagement except pursuant to subpoena or other Court Order.

Should information become known that would make our continued involvement in this engagement inappropriate, we reserve the right to withdraw from this engagement.

#### **FEES AND BILLING**

We will invoice you periodically for the services rendered by us. We will review the aforesaid financial and non-financial records and prepare a written report of our findings upon request.

Our fees for this engagement will be based on our standard hourly rates which range from \$135 to \$425 and are subject to periodic adjustment without specific notice or approval by you. In addition, you will be invoiced for all out-of-pocket expenses incurred by us or advanced on your behalf in the performance of our services.

The services provided shall not exceed \$15,000 without further written approval by City Council.

All invoices are payable upon receipt and all invoices not paid within fifteen (15) days accrue interest at the rate of 1% per month. We reserve the right at our sole discretion to suspend the provision of services without liability, as well as withhold communication of the results of our analysis or the delivery of work product, analysis, reports or testimony until we have been paid in full for our services.

In addition to the foregoing, in the event that we are required to pursue collection through litigation or other means, you agree to be responsible for all collection costs (including all reasonable legal fees, other costs, and the time expended by us in such collection efforts at our then current hourly rates).

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**ADDITIONAL PROVISIONS**

Any claim arising out of this engagement, except actions by Skoda Minotti to enforce payment of our invoices for professional fees, must be asserted within one year from the date any such cause of action occurs or completion of the engagement, whichever is earlier, notwithstanding any statutory provision to the contrary. In addition, Skoda Minotti & Co., Certified Public Accountants shall be the sole party liable for any and all claims that you may have for any professional services rendered by us and no affiliate or employee of Skoda Minotti & Co., Certified Public Accountants shall have any liability to you for such claims. Finally, in no event shall our liability exceed the amount of our fee for this engagement.

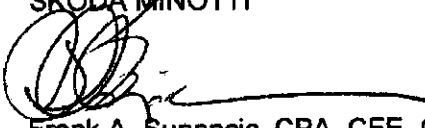
**ACCEPTANCE**

Our agreement shall be effective as of the date of this letter upon your return of a signed and dated copy.

We look forward to the opportunity to work with the City. We will work diligently to ensure that our performance merits your continued confidence. Should you have any questions about any of the forgoing terms or provisions, please feel free to call at your convenience.

Very truly yours,

SKODA MINOTTI



Frank A. Suponcic, CPA, CFE, CFF

ACCEPTED BY:

STEPHEN L. BYRON  
ACTING WILLOUGHBY HILLS LAW DIRECTOR

By (Print): \_\_\_\_\_

Date: \_\_\_\_\_

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**FINANCIAL CERTIFICATION**

I, Frank Brichacek, Finance Director of the City of Willoughby Hills, Ohio hereby certify that the funds necessary to pay the obligation of the foregoing contract in this fiscal year have been appropriated and are unencumbered and are either in the treasury or in the process of collection.

\_\_\_\_\_, 2018

\_\_\_\_\_  
Frank Brichacek  
Finance Director  
City of Willoughby Hills, OH