



## Agenda Item Summary

---

**File #:** MOT 19-117, **Version:** 1

---

### **Submitted By**

Cara Pavlicek, Village Manager

### **Reviewed By**

LKS

### **Agenda Item Title**

**A Motion to Waive the Independent Financial Audit Requirements of Section 11.1 of the 2019 Funding Grant Agreement ("Agreement") between the Village and the Oak Park Regional Housing Center until November 30, 2019**

### **Overview**

On December 10, 2018, the Village Board approved funding for specific services to be provided by the Oak Park Regional Housing Center (OPRHC) in 2019 subject to an Agreement which identified service and reporting requirements. Pursuant to Section 11.1 of the Agreement, the OPRHC shall conduct an annual audit by an independent audit/accounting firm by June 30th annually and a copy of the audit report shall be provided to the Village within thirty (30) days of its receipt. The Board is asked to consider waiving that requirement until November 30, 2019.

### **Recommendation**

Policy decision.

### **Fiscal Impact**

The OPRHC received \$425,000 in 2018 under an Agreement approved by the Village Board on December 11, 2017 which would be the funding audited under the requirement in the 2019 Agreement.

### **Background**

On October 1, 2019, the Village suspended payments to the OPRHC for invoices totaling \$65,222.32. The payments were suspended as a result of past-due reporting under the Agreement:

Second Quarterly (April - June) Report - Due July 31, 2019

- a. How many individuals registered
- b. How many effectuated moves
- c. How many effectuated affirmative moves
- d. How much is funded by Village

Semi-Annual (January - June) Report - Due July 31, 2019

- a. Year to Date financials
- b. Documentation of operating hours

- c. Amended budget approvals
- d. How many effectuated moves

The OPRHC submitted the above requirements on October 22, 2019. It is noted that the third quarterly (July - September) report due on October 31, 2019 has also been received by the Village.

On October 29, 2019, Village Manager Pavlicek and Development Customer Services Director Grossman met with OPRHC Executive Director Athena Williams, Board President Tracey Wik and past Interim Executive Director Jay Readey to discuss the status of suspended payments and outstanding audit for 2018. On October 31, 2019, the Village issued a status letter (attached) to the OPRHC noting that staff would seek Village Board guidance pertaining to the release of the suspended payments prior to receipt of the 2018 audit, anticipated on November 30, 2019. Board guidance is required as staff does not have authority to waive this requirement of the Agreement.

Pursuant to Section 11.1 of the Agreement, the OPRHC shall conduct an annual audit by an independent audit/accounting firm by June 30th annually and a copy of the audit report shall be provided to the Village within thirty (30) days of its receipt.

#### **Alternatives**

The Board could choose not to waive the audit requirement.

#### **Previous Board Action**

On December 10, 2018, the Village Board approved a 2019 Funding Grant Agreement with the OPHRC. On December 11, 2017, the Village Board approved a 2018 Funding Grant Agreement with the OPHRC. Similar one year agreements have been entered into annually.

#### **Citizen Advisory Commission Action**

N/A.

#### **Anticipated Future Actions/Commitments**

The OPRHC is seeking 2020 funding from the Village.

#### **Intergovernmental Cooperation Opportunities**

N/A.