

AMENDMENT NO. 16CONTRACT NO. 37298FOR: Financial Services Audit

Pursuant to Ordinance No. _____

This Contract was made and entered on the 7th day of May, 2007 by and between Moss Adams, LLP, hereinafter called Contractor, and the City of Portland, a municipal corporation of the State of Oregon, by and through its duly authorized representatives, hereinafter called City.

- 1) Contract term. There is no change to the current contract expiration date of May 6, 2012.
- 2) Timelines and due dates. The timelines and due dates for information, draft financial statements, and final auditor reports for the Portland Development Commission (PDC) are being revised as follows:
 - a) Final audit support and 'prepared by client' schedules will be provided to Moss Adams no later than October 31, 2011.
 - b) A complete first draft of the financial statements with all required elements including management discussion and analysis, basic financial statements and footnotes, required supplementary information, supplementary information of combining financial statements and budgetary comparison schedules, and statistical section, will be provided to Moss Adams no later than October 21, 2011.
 - c) Provided all open items and remaining support is accurately and timely provided as noted above, Moss Adams will complete audit fieldwork by November 18, 2011. By this date Moss Adams will provide feedback to PDC from their technical review of the draft CAFR and advise if any adjustments are needed. At this point, PDC will advise the City's Technical Accounting Division whether or not the numbers sent by PDC to be included in the City's CAFR need to be revised.
 - d) A complete final draft of the financial statements with all required elements including any audit adjustments, will be provided to Moss Adams no later than November 30, 2011.
 - e) Provided an accurate draft of the financial statements is provided timely as noted above, Moss Adams will provide final audit opinion and reports no later than December 9, 2011. Moss Adams will make reasonable efforts to complete this audit by December 2, 2011.
- 3) Scope of services. Additional time of 32 hours is necessary for Moss Adams to complete the work as described in the Scope of Work as a result of:
 - a) PBC schedules from management were not provided timely according to the originally agreed upon dates, due to insufficient communication by both Moss Adams and PDC, and due to changes in personnel at PDC from reductions-in-force, and more responsibilities placed on key individuals in the accounting/finance area as PDC underwent a loan IT system conversion.
 - b) Certain PBC schedules were not prepared correctly, like the property held for sale and capital assets that initially did not report separate roll-forward information for these two account balances in PDC's financial statements. Additional time will be incurred to identify the issues and work with management to make corrections.
 - c) As a result of the issues noted above, Moss Adams' engagement team was not able to complete audit testing during the originally agreed upon final fieldwork dates.

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d) Moss Adams estimates the additional time it will incur to complete its audit procedures as a result of the issues noted above is 32 hours, and is expected to incur that time in the first two weeks of November when the PDC audit team next has scheduled capacity to complete audit fieldwork for PDC.

- 4) Additional compensation is necessary and shall not exceed \$5,000 for the additional hours at the contract blended rate. Total compensation due to Moss Adams for the PDC audit for fiscal year ending June 30, 2011 after this amendment is \$105,750.
- 5) As a result of this amendment the contract's total "not to exceed amount" is increased to \$3,002,745.

All other terms and conditions shall remain unchanged and in full force and effect.

CONTRACTOR SIGNATURE:

This contract amendment may be signed in two (2) or more counterparts, each of which shall be deemed an original, and which, when taken together, shall constitute one and the same contract amendment.

The parties agree the City and Contractor may conduct this transaction by electronic means, including the use of electronic signatures.

Moss Adams, LLPBy: James C. LanzarottaDate: 11/17/11Name: JAMES C. LANZAROTTATitle: PARTNERAddress: 975 Oak Street, Suite 500, Eugene, OR. 97401Telephone: 1-541-686-1040

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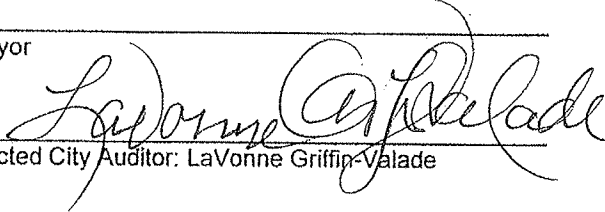
CITY OF PORTLAND SIGNATURES:

By:

Mayor

Date: _____

By:


Elected City Auditor: LaVonne Griffin-Valade

Date: 10/18/11

Approved as to Form: **APPROVED AS TO FORM**

By:

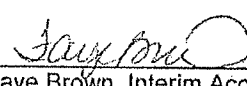
Office of City Attorney


CITY ATTORNEY

Date: 10/18/11

I understand and agree that the \$5,000 increase in the basic contract price resulting from this expansion of audit hours, will be billed to Portland Development Commission (PDC), via the Office of the City Auditor, and will be payable from PDC's FY 2011-12 budget appropriation.

AUDITEE PROJECT MANAGER


Faye Brown, Interim Accounting Manager, PDC

Date: 10/14/11