

**CLEVELAND PUBLIC LIBRARY**

**Finance Committee**

November 15, 2016

**RESOLUTION AUTHORIZING AN AGREEMENT WITH THE FRIENDS OF  
CLEVELAND PUBLIC LIBRARY AND WITH CIUNI & PANICHI, INC. FOR  
CONSULTANT SERVICES**

WHEREAS, The Cleveland Public Library and the Friends of the Cleveland Public Library (“Friends”) have been in discussions concerning the creation of a separate Library Foundation in order to focus on development strategies and finding additional resources to increase revenue to the Library; and

WHEREAS, The Executive Director of the Friends and the Executive Director of the Library have reached out to Mike Benz, Executive Advisor with Ciuni & Panichi, Inc., for assistance in developing a successful Foundation business model and establishing a Foundation Board; and

WHEREAS, Mike Benz has extensive experience in fundraising as the former United Way of Greater Cleveland CEO, as well as nonprofit leadership, board development, and organization structuring experience; and

WHEREAS, The Library and the Friends would like to enter into a joint agreement with Ciuni & Panichi, Inc. for consulting services in an amount not to exceed \$30,000.00 each, for a total contract amount not-to-exceed \$60,000.00; now therefore be it

| RESOLVED, That the Board of Trustees authorizes the Executive Director CEO or his designee to enter into an agreement with the Friends of the Cleveland Public Library Inc. and Ciuni & Panichi, Inc. for nonprofit leadership, board development, and organization structuring consulting services in an amount not-to-exceed \$30,000.00 payable by the Library, with the expenditure being charged to 11020053-53710 (Professional Services). The Agreement shall be subject to the review and approval of the Chief Legal Officer.

**Friends of the Cleveland Public Library  
and  
Cleveland Public Library**

**October 17, 2016**

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# Consulting Services

Ciuni & Panichi, Inc. has over 40 years of experience providing services to Northeast Ohio not-for-profit organizations. The not-for-profit group has 10 financial professionals and two business advisors dedicated to serving our 75 not-for-profit clients.

## How it Works

The Ciuni & Panichi, Inc. consulting team will share their experience and expertise to help the Friends of the Cleveland Public Library (Friends) and the Cleveland Public Library (Library) achieve their goals. At our firm relationships count. Our approach is to spend the time needed to understand the complex organizational and system issues as well as to identify opportunities to increase revenue through resource development strategies.

Consulting clients benefit from the team's diverse expertise:

- Mike Benz, Executive Advisor, who raised more than \$732 million dollars as United Way of Greater Cleveland CEO, shares his extensive resource development experience to help organizations develop and implement strategies to effectively raise the dollars targeted. Mike also has extensive experience in not-for-profit leadership, board development, and organizational structuring.
- Mike Klein, CPA, MBA, Partner, who oversees the Not-for-Profit Group at Ciuni & Panichi, Inc., advises on audit and tax issues as well as endowment management and convergence to a foundation.
- Jenna Snyder, Marketing Director, is available for marketing, branding, and communications advice.
- David Reape, CPA, Principal, leads the not-for-profit group's tax practice and will assist in any IRS and/or state tax matters that may arise from contemplated structural changes.

## Our Promise

When you choose to work with our not-for-profit consulting team, together, we will embark on a prescribed approach that is game changing and geared to help achieve your goals. You'll select from a menu of advisory services all focused on the particular needs of your organization. We ask hard questions, but help you find the right-sized solutions.

You can count on us to assist you with:

- Developing a structural reporting model that best-positions the Friends and the Library for success in developing key relationships, enhancing marketing and communication strategies, and raising the funds it needs to maintain and expand programming.
- Implementing strategies to help you build your fund raising.
- Developing strategies to build the endowment.
- Support and financial expertise as you transition toward a foundation model.
- Keeping your boards of directors informed, engaged, and supportive throughout the growth period.
- Helping you plan for the 150<sup>th</sup> anniversary of the Cleveland Public Library.

# Consulting Services

## Menu of Available Services

### *Advisory services include:*

- Growth strategies designed specifically for not-for-profit organizations
- Professional recruitment and coaching
- Executive coaching
- Strategic growth management planning and implementation coaching
- Board and committee recruitment and engagement
- Marketing and communications
- Brand management
- Special events management
- Volunteer management and engagement
- Wealth and benefit management
- Resource development
- Accounting and tax planning

## Why Ciuni & Panichi?

- Our Not-for-Profit Group is recognized as a leader in accounting, tax, and consulting services to not-for-profit organizations throughout Northeast Ohio. We have a strong reputation for effective and efficient service provided by a team of seasoned professionals specializing in the not-for-profit industry.
- **As your engagement lead, Mike Benz** shares his extraordinary expertise and experience in relationship cultivation and growth management exclusively designed for not-for-profit organizations. His successes include being instrumental in bringing the Rock and Roll Hall of Fame and Museum to Cleveland and raising more than \$732 million dollars to fund health and human services in our community as United Way of Greater Cleveland CEO. He provides one-on-one advice on professional leadership, strategic organizational management, board recruitment, engagement and management, resource development strategies and identification, and cultivation of relationships focused to support the organization's mission.
- **Mike Klein, CPA, MBA**, oversees the Not-for-Profit Group. He has over 20 years of not-for-profit sector experience. He also serves on several not-for-profit boards of directors where he encounters the same challenges his clients face. Mike recently provided counsel for a client that underwent a similar transformation to that which the Library and Friends are contemplating whereby a "friends" organization and the school that it supports embarked on a process to work more closely together to plan for the future of the school, provide oversight, and more effectively fund raise.
- **Jenna Snyder**, Marketing Director, who was United Way's vice president of marketing for 11 years, provides communications, marketing, and media relations expertise for the firm and its clients. She consults on branding and communications strategies targeted to specific audiences. Her experience also includes service as the marketing manager for the Cleveland Clinic Heart Center. She helps organizations develop marketing and communications strategies aligned with their goals.

At Ciuni & Panichi, Inc., relationships count. Our team takes a personal approach to ensuring you achieve your definition of success.

# Fee for Services

Each member of our team has a designated billing rate based upon the experience and position of the professional. Our current standard hourly rates of the team members identified to work with you range from \$140 to \$350 per hour.

Our proposal is to provide you with ongoing consulting services at \$3,500 per month. We anticipate spending 10 – 14 hours a month assisting you. Our engagement letter with you would provide for continuing services with a termination option available to either party with 30-days advance written notice after an initial six-month commitment.

Our out-of-pocket expenses (e.g., parking, delivery charges, etc.) are based on actual, direct charges. In the event that we are asked to purchase goods or services on your behalf, we would seek written approval from you to do so before procuring such goods or services and billing you for the reimbursement of such costs.

# K. Michael Benz



K. Michael Benz, Executive Advisor at Ciuni & Panichi, Inc., provides strategic planning and business development expertise to the client service menu and the firm's leadership team. In addition to his work at Ciuni & Panichi, Inc., he serves as Fifth Third Bank Affiliate Director, Northeastern Ohio, Chief Wireless Officer Executive Advisor, and ReCreation Partners, LLC, Vice Chairman.

He was United Way of Greater Cleveland President and CEO for 17-plus years. Under his leadership, United Way raised more than \$732 million dollars to fund health and human services in our community. Also under Mike's leadership, United Way implemented one of the most innovative public art projects, GuitarMania<sup>®</sup>, raising over \$2 million and attracting national and international acclaim. Mike also is known for operating a very tight ship, and he has kept administrative expenses under 13 percent, which is less than many other nonprofits, including other United Ways around the country.

In addition to raising funds for Cleveland, Mike invested as much energy to ensure United Way's investments were sound. In 2008, under his leadership, United Way implemented a new approach to funding programs that is heavily grounded in research and designed to move the needle on our community's problems.

Three years ago, Mike retired from United Way to a community that had other plans for him. Currently, in addition to acting as executive advisor at Ciuni & Panichi, Inc. and his other consulting assignments, he chairs the South Pointe Hospital Board of Directors – a Cleveland Clinic Hospital, and serves on the Leadership Center Board of Directors and Executive Committee and the Ingenuity Fest Board of Directors.

Among his many awards and honors, Mike has served as the Cuyahoga County Community College Foundation master of ceremonies for their Presidential Scholarship Luncheon. In that role, he introduced President Bill Clinton, President George W. Bush, and Magic Johnson. He has been inducted into the Wickliffe High School Hall of Fame and the Wickliffe City Hall of Fame for Achievement. He was recognized as SME Businessman of the Year and he received the Gordon E. Heffern Lifetime Award for Ethics, Values and Community.

Mike is a Clevelander and his work reflects his passion for this community. He was instrumental in bringing the Rock and Roll Hall of Fame and Museum to Cleveland and served as the museum's director.

# Michael B. Klein, CPA, MBA



Mr. Klein is a Partner in Ciuni & Panichi, Inc.'s Audit and Accounting Services Group. He graduated magna cum laude from Cleveland State University in 1987 with a major in accounting. In 1991, Mr. Klein earned his master of business administration degree with an emphasis in finance from Cleveland State University. Prior to joining the firm in 1995, Mr. Klein gained experience in the audit department of an international accounting firm.

Mr. Klein oversees the firm's Not-for-Profit Groups. He has extensive experience in this market segment and with the accounting issues that directly impact 501(c)(3) corporations and other not-for-profit organizations.

He is experienced in performing audits in compliance with *Government Auditing Standards* and generally accepted auditing standards. He has the overall responsibility for the audit from preliminary planning and fieldwork to the issuance of financial statements and management recommendation letters.

He is also responsible for the planning and performance of Uniform Guidance (federal funds) and program-specific audits and issuance of the related reports on internal controls over compliance requirements, compliance with terms and provisions of contracts, awards, and grants. He reviews the tax returns for these clients that include social service agencies, religious, social clubs, museums, labor unions, educational foundations, and private foundations, among others. Mr. Klein devotes significant attention to advising the firm's not-for-profit clients on a variety of matters, including financial statement presentation options, cost reporting, cost-effective internal control solutions, and organizational assessments, among others.

Mr. Klein is a member of several professional and civic organizations:

- American Institute of Certified Public Accountants
- Ohio Society of Certified Public Accountants
- Cleveland State University Accounting Advisory Board
- Geneva Group International
- Growth Capital Corporation – Board Member and Member of Loan Review Committee
- Center for Cognition and Recovery – Chair, Board of Managers
- Jewish Family Service Association – Assistant Treasurer, Board of Directors

His prior service to the community includes:

- Ohio Society of Certified Public Accountants – Member of Executive Board and Chairman of Audit Committee
- Planned Lifetime Assistance Network of Northeast Ohio – Vice President and Treasurer of the Board.
- President of the Cleveland State University Business Alumni Board
- United Way Services of Greater Cleveland – Member of the Allocations Committee
- United Way Services of Greater Cleveland – Member of the Community Investment Accounting Committee
- United Way Services of Greater Cleveland – Member of the Organizational Assessment Committee
- President of a not-for-profit childcare center in Bainbridge, Ohio

# Michael B. Klein, CPA, MBA

Mr. Klein is a frequently sought-after speaker on technical topics and accounting issues. Recent speaking engagements have included the following groups:

- The Ohio Society of CPAs Not-for-Profit Conference
- Ohio Society of CPAs Cleveland Accounting Show

Mr. Klein has passed both the FINRA Series 7 General Securities Representative Examination and the FINRA Series 66 Uniform Combined State Law Examination. Mr. Klein is licensed to sell securities as an Investment Advisor Representative in the State of Ohio.

# David M. Reape, CPA



Mr. Reape is a Ciuni & Panichi, Inc. Tax Department Principal in the firm's Not-for-Profit Group.

He specializes in tax-exempt entities and closely-held businesses. He provides tax review, planning, research, consulting, and compliance services for not-for-profit organizations, S-corporations, C-corporations, high net worth individuals, partnerships, and state and local tax planning. His experience includes helping clients with corporate restructuring and planning and he has represented various clients during Internal Revenue Service audits, as well as various state and local governments audits.

As a Principal in the firm's Not-for-Profit Group, he has an in-depth understanding of the accounting principles applicable to not-for-profit organizations and the strict technical requirements that must be satisfied in these engagements.

His responsibilities include the preparation and review of tax returns for social service agencies, religious organizations, museums, labor unions, and private foundations. He also understands the challenges not-for-profit organizations face and strives to make viable recommendations to improve the operating efficiency of every client, even when they are working with limited resources.

Mr. Reape is a member of the following professional and civic organizations:

- American Institute of Certified Public Accountants
- Ohio Society of Certified Public Accountants (OSCPA) – Past Chair of the OSCPATax Legislation Policy Committee
- Nature Center at Shaker Lakes Board of Directors – Treasurer
- Cleveland Civic Leadership Institute Class of 2012
- Cleveland Leadership Center Alumni Association
- Shaker Lakes Regional Nature Center Endowment Foundation

Mr. Reape is a sought-after speaker. On numerous occasions, he has developed and presented tax seminars on not-for-profit organizations, S-corporations, and state and local issues for the Ohio Society of Certified Public Accountants. His recent topics include:

- Governance as viewed by the IRS
- New Form 990
- Tax Issues for Not-for-Profits
- Ohio Tax Reform

He earned a bachelor's of business administration degree from the University of Toledo and has been a Certified Public Accountant since 1993.

# Jenna Snyder



Jenna Snyder, Ciuni & Panichi, Inc. Marketing Director, develops and implements branding, marketing, and communications strategies designed to increase customer engagement and develop new business for the firm.

Prior to joining the firm, she was Vice President of Marketing and Communications at United Way of Greater Cleveland for 11 years. There she led a 10-member team responsible for all the branding, communications, and marketing strategies to support the mission and the annual \$41 million campaign. Her responsibilities included advertising, publications, video production, speech writing, presentation coaching, e-communications, website, and social media. She was also responsible

for media relations and special events.

Her experience also includes service as the marketing manager for the Cleveland Clinic Heart Center where she produced two heart health magazines and a television show that received a local Emmy nomination.

She currently serves on the GroundWorks Dance Company board of directors.

She earned a master's degree in communications with a concentration in corporate public relations and marketing from Rowan State College in New Jersey. She graduated summa cum laude with a bachelor's degree in journalism from Wayne State University in Detroit.

# MPK GROUP, PC

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## SYSTEM REVIEW REPORT

To the Shareholders of Ciuni & Panichi, Inc.  
and the National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of Ciuni & Panichi, Inc. (the firm) applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended August 31, 2015. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. As part of our peer review, we considered reviews by regulatory entities, if applicable, in determining the nature and extent of our procedures. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at [www.aicpa.org/prsummary](http://www.aicpa.org/prsummary).

As required by the standards, engagements selected for review included engagements performed under the *Government Auditing Standards*; audits of employee benefit plans, and examinations of service organizations [Service Organizations Control (SOC) 1 engagement].

In our opinion, the system of quality control for the accounting and auditing practice of Ciuni & Panichi, Inc. applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended August 31, 2015, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Ciuni & Panichi, Inc. has received a peer review rating of *pass*.

*MPK, Group, PC*

November 5, 2015

Thank you for your interest in reviewing this material.

Please feel free to contact us if you need any further information.

Visit our web site at [cp-advisors.com](http://cp-advisors.com).

