

Request for Proposal

ANNUAL AUDITING SERVICES

Proposal Deadline: Friday, March 8, 2019

CAPITOL REGION EDUCATION COUNCIL
(CREC)
111 CHARTER OAK AVENUE
HARTFORD, CT 06106

LEGAL NOTICE
REQUEST FOR PROPOSAL
CAPITOL REGION EDUCATION COUNCIL
REQUEST FOR PROPOSAL
FOR AUDITING SERVICES

The Capitol Region Education Council (CREC) of Hartford, Connecticut requests proposals from qualified independent public accounting firms, in accordance with the provisions of the Connecticut General Statutes, to conduct an examination and to render an opinion on the comprehensive annual financial statements of CREC. **Proposals will be received in the Purchasing office until 11:00 a.m. on Friday March 8, 2019 at which time no further proposals will be considered.** Please see CREC web site at www.crec.org/rfp or the DAS web site www.das.ct.gov for packets and all information regarding this RFP.

Proposals must be clearly marked on the envelope and delivered or sent to:

**Capitol Region Education Council
Attn: Kate Rotella, Purchasing Manger
111 Charter Oak Ave
Hartford Ct 06106
AUDITING SERVICES RFP #19-100**

Questions concerning the proposal shall be directed to Kate Rotella krotella@crec.org

CREC reserves the right to reject any or all proposals, and in particular, to reject a proposal incomplete or irregular. CREC reserves the right to waive any informality or irregularity in any proposal received, to negotiate changes to offered terms and to accept the proposal that, in its judgment, will be in the best interest of CREC.

The Capitol Region Education Council is an Equal Opportunity Employer.

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I. INTRODUCTION

A. General Information

CREC is requesting proposals from qualified accounting firms of certified public accountants to audit its financial statements through the fiscal year ending June 30, 2021, with the option of auditing its financial statements for each of the two (2) subsequent fiscal years. These audits are to be performed in accordance with generally accepted auditing standards, the standards set forth for financial audits in the General Accounting Office's (GAO) Government Auditing Standards, implementation of all GASB Statements, the provisions of the federal Single Audit Act of 1984 as amended in 1996 and U.S. Office of Management and Budget (OMB) Circular A-133, Audits of State, Local Governments, and Non-Profit Organizations, and the provisions of Sections 4-230 through 4-236 of the Connecticut General Statutes concerning the State Single Audit Act.

The auditor(s) shall state that the primary purpose of the audit is to express an opinion on the general purpose financial statements taken as a whole and to obtain reasonable assurances about whether the general purpose financial statements are free of material misstatement.

There is no expressed or implied obligation for CREC to reimburse firms for any expenses incurred in preparing proposals in response to this request.

To be considered, two copies of a proposal must be received by 11:00 a.m. on Friday, March 8, 2019. CREC reserves the right to reject any or all proposals submitted. During the evaluation process, the Deputy Executive Director and CREC reserve the right, where it may serve CREC's best interest, to request additional information or clarifications from proposers, or to allow corrections of errors or omissions. At the discretion of CREC, firms submitting proposals may be requested to make oral presentations as part of the evaluation process.

CREC reserves the right to retain all proposals submitted and to use any ideas in a proposal regardless of whether that proposal is selected. Submission of a proposal indicates acceptance by the firm of the conditions contained in this request for proposals, unless clearly and specifically noted in the proposal submitted and confirmed in the contract between CREC and the firm selected.

It is anticipated the selection of a firm will be completed by April 12, 2019. Following the notification of the selected firm, an engagement letter will be executed between both parties within 30 days of approval.

B. Terms of Engagement

A three (3) year contract is contemplated, subject to the annual review and recommendation of the Deputy Executive Director, upon the satisfactory negotiation of terms (including a price acceptable to CREC and the selected firm).

II. DESCRIPTION OF THE GOVERNMENT

A. General

The auditor's principal contact with CREC will be the Deputy Executive Director, or a designated representative, who will coordinate the assistance to be provided by CREC to the auditor.

B. Background Information

The Capitol Region Education Council is the first and largest of Connecticut's six Regional Educational Services Center (RESC's) comprising 35 member public school districts in north central Connecticut. CREC was established in 1966 as a grassroots effort of local school districts and organized that year under the provisions of the Connecticut General Statute (C.G.S.), Section 10-66A.-N. The Connecticut State Department of Education is the recognized regulatory State agency.

The Council is governed by publicly elected board of education members appointed by each member school district. The term of office of Council members shall not exceed four years. The Council appoints an Executive Director to serve as the executive agent of the Council. Pursuant to C.G.S. 10-66c., CREC, as a regional educational service center, is a body corporate and politic and, as such, is a public educational authority acting on behalf of the State of Connecticut. The Internal Revenue Service has determined CREC to be an organization described in Section 170 c (1) of the Code. CREC's mission is to improve the quality of public education through cooperative programs.

More detailed information on CREC and its finances may be found in the CAFR online at <http://www.crec.org/about/annual.php>.

C. Fund Structure

CREC uses the following fund types, all under general ledger control, and account groups in its financial reporting:

Fund Type/Account Group	Number of Funds	Number of Programs
General Fund	<u>1</u>	<u>45</u>
Special Revenue Funds	<u>1</u>	<u>25</u>
Debt Service Funds	<u>1</u>	<u>1</u>
Capital Projects Funds	<u>11</u>	<u>11</u>
Enterprise Funds	<u>8</u>	<u>8</u>
Internal Service Funds	<u>7</u>	<u>7</u>

Non-Expendable Trust Funds	<u>1</u>	<u>1</u>
Agency Funds	<u>28</u>	<u>28</u>
General fixed assets account group	<u>1</u>	
General long-term debt account group	<u>1</u>	

CREC also has a separate entity called the CREC Foundation Inc. which has its own set of books and requires the filing of a 990 Return of Organization Exempt From Income Tax.

D. Budgetary Basis of Accounting

CREC prepares its budgets on a basis consistent with generally accepted accounting principles.

III. ASSISTANCE TO BE PROVIDED TO THE AUDITOR AND REPORT PREPARATION

A. Statements and Schedules and other pertinent information to be prepared by CREC.

The staff of CREC will prepare or provide the following statements and schedules for the auditor as follows:

1. Adjusted trial balance for all funds (Excel download).
2. Detailed schedules of revenues and expenditures, expenses, accounts payable and receivable, and encumbrances.
3. Detail of balance sheet and subsidiary account activity.
4. Check registers for all funds.
5. Bank reconciliations for all accounts.
6. Detail of capital projects expenditures on a project to life basis.
7. Analysis of accounts as requested.
8. Investment activity schedules.
9. Debt schedules.
10. Fixed assets schedules (additions and deletions).
11. Payroll records.
12. Schedule of Compensated Absences.
13. Completed ED-001R and supporting documentation.
14. Standard representation letters.
15. CAFR statistical tables.
16. Schedule of federal and state assistance (draft).

17. Detailed trial balance for the CREC Foundation and 990 Tax Return for audit review.
18. All applicable PSIS reports.

B. General

Office space will be provided in close proximity to the financial records. Telephones will be made available as well as the use of a copy machine during the engagement. The auditor will be required to provide their own equipment and other office materials.

IV. NATURE OF SERVICES REQUIRED

1. General

CREC is soliciting the services of qualified accounting firms of certified public accountants to audit its financial statements through fiscal year ending June 30, 2021, with the option to audit CREC's financial statements for each of the two (2) subsequent fiscal years. These audits are to be performed in accordance with the provisions contained in this request for proposals.

B. Qualifying Requirements

Qualified Firm:

Firms submitting proposals must be qualified to perform independent audits of municipalities of the State of Connecticut. The firm must have been engaged during the fiscal year ending June 30, 2018, as independent auditors for the purpose of rendering an opinion on the annual financial statements of a Connecticut municipality with a population of at least 20,000.

Location:

The auditors must have an office located within the State of Connecticut, and staff must be able to offer the full range of auditing services required by this Request for Proposal.

Non-Discrimination:

No person shall be denied or subjected to discrimination on account of any services, or activities made possible by or resulting from this agreement on the grounds of sex, race, color, creed, national origin, age (except minimum age and retirement provision), marital status or the presence of any sensory, mental or physical handicap. Any violation of this provision shall be considered a violation of a material provision of this agreement and shall be grounds for cancellation, termination or suspension in whole or in part of the agreement by CREC and may result in ineligibility for further CREC contracts. The proposer shall at all times in the proposal and contract process comply with all applicable local, state, and federal anti-discrimination laws, rules, regulations and requirements thereof.

Reports:

Each proposer shall submit one copy of at least two Comprehensive Annual Financial Reports issued by Connecticut municipalities in which their opinion is

contained. *At least one of these reports shall have been awarded the GFOA Certificate of Achievement for Excellence in Financial Reporting within the past three years.*

Other:

Supervisory members of the audit team, including the "in charge" field auditor, should be certified public accountants and have a minimum of three (3) years of municipal audit experience in the State of Connecticut. Municipal audit experience and certification is an important qualification.

C. Scope of Work to be Performed

The auditor is required to download CREC's trial balance and convert into the format of general purpose financial statements and the combining and individual fund financial statements and schedules in conformity with generally accepted accounting principles. (See CAFR)

CREC desires the auditor to express an opinion on the fair presentation of its general-purpose financial statements in conformity with generally accepted accounting principles.

The auditor is not required to audit the supporting schedules contained in the Comprehensive Annual Financial Report. However, the auditor is to provide an "in-relation-to" report on the supporting schedules and statistical section based on the auditing procedures applied during the audit of the general purpose financial statements and the combining and individual fund financial statements and schedules.

The auditor is required to perform procedures included in the Connecticut State Department of Education's Review Package regarding PSIS data and EFS reporting requirements.

D. Auditing Standards to be Followed:

To meet the requirements of this request for proposals, the audit shall be performed in accordance with generally accepted auditing standards as set forth by the American Institute of Certified Public Accountants, the standards for financial audits in the General Accounting Office's (GAO) Government Auditing Standards and implementation of all GASB Statements, the provisions of the Federal Single Audit Act of 1984 as amended in 1996 and U.S. Office of Management and Budget (OMB) Circular A-133, Audits of State, Local Governments, and Non-Profit Organizations, and the provisions of Sections 4-230 through 4-236 of the Connecticut General Statutes concerning the State Single Audit Act.

E. Reports to be Issued

Following the completion of the audit of the fiscal year's financial statements, the auditor shall issue, as required by generally accepted auditing standards, *and*

Government Auditing standards, *OMB Circular A-133*, and the *Connecticut General Statutes*, including but not limited to the following:

- A report on the fair presentation of the financial statements in conformity with generally accepted accounting principles.
- A report on the internal control structure based on the auditor's understanding of the control structure and assessment of control risk.
- A report on compliance with applicable laws and regulations.
- Reports on the supplementary schedules of federal and state financial assistance.
- Reports on the internal control structure used in administering federal and state financial assistance programs.
- Reports on compliance with laws and regulations related to major and non-major federal and state financial assistance programs. This report should include an opinion on compliance with specific requirements applicable to major federal and state financial assistance programs, a report on compliance with general requirements applicable to major and non-major federal and state financial assistance programs, and a report on compliance with laws and regulations applicable to non major federal and state financial assistance program transactions tested.
- A report on the PSIS data submitted for review under the Connecticut State Department of Education's Review Package.

The auditor shall communicate in a letter to the chief legislative body, the CREC Council, any reportable conditions found during the audit. A reportable condition shall be defined as a significant deficiency in the design or operation of the internal control structure, which could adversely affect the organization's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements.

F. Special Considerations

1. CREC will send its Comprehensive Annual Financial Report to the Government Finance Officers Association of the United States and Canada for review in its Certificate of Achievement for Excellence in Financial Reporting program. It is anticipated that the auditor will be required to provide special assistance to CREC to meet the requirements of that program.
2. The schedule of federal and state financial assistance and related auditor's reports, as well as the reports on the internal control structure and compliance, are to be issued separately from the comprehensive annual financial report.

G. Working Paper Retention and Access to Working Papers

All working papers and reports must be retained, at the auditor's expense, for a minimum of five years, unless the firm is notified in writing by CREC of the need to extend the retention period. The auditor will be required to make working papers available, upon request by CREC. In addition, the firm shall respond to the reasonable inquiries of successor auditors and allow successor auditors to review working papers relating to matters of continuing accounting significance.

H. Other Audit Services

Periodically CREC is required to have separate audits. The auditor will be expected to perform these audits and any other audit services requested by CREC outside of the standard audit at the hourly rate stated in Appendix D.

I. Implied Requirements

All services not specifically mentioned in this request for proposals that are necessary to provide the functional capabilities described by the auditor shall be included in the Scope of Services.

V. TIME REQUIREMENTS

A. Proposal Calendar

The following is a list of key dates up to and including the date proposals are due for submission:

Request for proposal issued	Feb 4, 2019
Due date for proposals	March 8, 2019
Discussion with selected proposer(s)	Late March 2019
Appointment by CREC	April 12, 2019
Contract signed	Within 30 days of appointment

B. Schedule for the Annual Audit

Entrance conference with Comptroller to commence year-end audit work	September 6, 2019
Preliminary field work begins	September 23, 2019
Final audit work	October 28, 2019

Exit conference to review draft and findings November 18, 2019

Draft comments returned to Auditors by November 22, 2019

Final Report returned to CREC December 10, 2019

C. Report Submissions

Copies of all reports shall be addressed to CREC's Deputy Executive Director Finance and Operations. *The successful proposer will also submit copies of reports as required by state and federal audit requirements.*

The submission dates for the various reports to the municipality and the appropriate recognized agencies are as follows:

Comprehensive Annual Financial Report December 27, 2019

Single Audit Reports December 27, 2019

Where an extension of time may be required, it will be the responsibility of the auditor to promptly notify CREC, in writing. It is CREC's responsibility to secure all necessary approvals in a timely manner. The auditor shall, promptly, notify CREC's Deputy Executive Director of any suspicion of fraud, defalcation or misapplication of funds. Such notice shall be in addition to any notice to grantors required by single audit legislation.

The final report and two signed printable copies should be delivered electronically to CREC, Attention: Deputy Executive Director Finance and Operations, 111 Charter Oak Avenue, Hartford, CT 06106.

VI. PROPOSAL REQUIREMENTS

A. General Requirements

1. Inquiries

Inquiries concerning the request for proposals and the subject of the request for proposals must be made to:

Kate Rotella, Purchasing Manager
111 Charter Oak Avenue
Hartford, CT 06106
krotella@crec.org

2. Submission of Proposals

The following material is required by March 8, 2019 for a proposing firm to be considered:

a. The proposal and 1 copy are to include the following:

i. Title Page

Title page showing the request for proposal's subject; the firm's name; the name, address and telephone number of a contact person; and the date of the proposal.

ii. Table of Contents

iii. Transmittal Letter

A signed letter of transmittal briefly stating the proposer's understanding of the work to be done, the commitment to perform the work within the time period, a statement why the firm believes itself to be best qualified to perform the engagement and a statement that the proposal is a firm and irrevocable offer for the period covered.

iv. Detailed Proposal

The detailed proposal should follow the order set forth in Section VI B of this request for proposals.

v. Guarantees and Warranties

Executed copies of Proposer Guarantees and Proposer Warranties attached to this request for proposals (Appendix B).

The proposer shall submit an original and [one] copy of a dollar cost bid attached to this request for proposal (Appendix D).

Proposers should send the completed proposal consisting of two (2) separate envelopes to the following address:

Kate Rotella, Purchasing Manager
Capitol Region Education Council
111 Charter Oak Avenue
Hartford, CT 06106

Envelope #1: Technical Proposal

Technical Proposal

1. General Requirements

The purpose of the technical proposal is to demonstrate the qualifications, competence and capacity of the firms seeking to undertake an independent audit of CREC in conformity with the requirements of this request for proposals. As such, the substance of proposals will carry more weight than their form or manner of presentation. The technical proposal should demonstrate the qualifications of the firm and of the particular staff to be assigned to this engagement. It should also specify an audit approach that will meet the request for proposals requirements. The technical proposal should address all the points outlined in the request for proposals (excluding any cost information, which should only be included in Appendix D). The proposal should be prepared simply and economically, providing a straightforward, concise description of the proposer's capabilities to satisfy the requirements of the request for proposals. While additional items may be presented, the following subjects, items Nos. 2 through 9, must be included. They represent the criteria against which the proposal will be evaluated.

2. Independence

The firm should provide an affirmative statement that it is independent of CREC as defined by generally accepted accounting standards and the U.S. Comptroller General's Government Auditing Standards. The firm should also list and describe the firm's professional relationships involving CREC or any of its agencies for the past five (5) years, together with a statement explaining why such relationships do not constitute a conflict of interest relative to performing the proposed audit. In addition, the firm shall give the CREC written notice of any professional relationships entered into during the period of this agreement.

3. License to Practice in Connecticut

An affirmative statement should be included indicating that the firm and its municipal partner are qualified to practice in Connecticut.

4. Firm Qualifications and Experience

The proposal should state the size of the firm, the size of the firm's governmental audit staff, the location of the office from which the work on this engagement is to be performed and the number and nature of the staff to be so employed on a part-time basis. The firm shall also provide information on the results of the firm's latest federal or state desk reviews or field reviews of its audits. In addition, the firm shall provide information on the circumstances and status of any disciplinary action taken or pending against the firm during the past three (3) years with state regulatory bodies or professional organizations.

5. Partner, Supervisory and Staff Qualifications and Experience

The firm should identify the principal supervisory and management staff, including engagement partners, managers, other supervisors and specialists, who would be assigned to the engagement and indicate whether each such person is licensed to practice as a certified public accountant in Connecticut. The firm also should indicate how the quality of staff over the term of the agreement will be assured. The proposer should identify the extent to which its staff reflects CREC's commitment of Affirmative Action. Engagement partners, managers, other supervisory staff and specialists may be changed if those personnel leave the firm, are promoted or are assigned to another office. These personnel may also be changed for other reasons with the express prior written permission of CREC. However, in either case, CREC retains the right to approve or reject replacements. Consultants and firm specialists mentioned in response to this request for proposals can only be changed with the express prior written permission of CREC, which retains the right to approve or reject replacements. Other audit personnel may be changed at the discretion of the proposer provided that replacements have substantially the same or better qualifications or experience.

6. Similar Engagements with Other Government Entities

For the firm's office that will be assigned responsibility for the audit, list the most significant engagements (maximum of 5) performed in the last five years that are similar to the engagement described in this request for proposals. These engagements should be ranked on the basis of total staff hours. Indicate the scope of work, date, engagement partners, total hours, and the name and telephone number of the principal client contact.

7. Audit Approach

The proposal should set forth a work plan, including an explanation of the audit methodology to be followed, to perform the services required in Section IV of this request for proposal. In developing the work plan, reference should be made to such sources of information as CREC's budget and related materials, organizational charts, manuals and programs, and financial and other management information systems. Proposers will be required to provide the following information on their audit approach:

- a. Proposed segmentation of the engagement
- b. Level of staff and number of hours to be assigned to each proposed segment of the engagement.

NO DOLLARS SHOULD BE INCLUDED IN THE TECHNICAL PROPOSAL.

- c. Sample size and the extent to which statistical sampling is to be used in the engagement.
- d. Extent of use of EDP software in the engagement.
- e. Type and extent of analytical procedures to be used in the engagement.

- f. Approach to be taken to gain and document an understanding of CREC's internal control structure.
- g. Approach to be taken in determining laws and regulations that will be subject to audit test work.
- h. Approach to be taken in drawing audit samples for purposes of tests of compliance.

8. Identification of Anticipated Potential Audit Problems

The proposal should identify and describe any anticipated potential audit problems, the firm's approach to resolving these problems and any special assistance that will be requested from CREC.

Envelope #2: Sealed Dollar Cost Bid

Dollar Cost Bid

1. Total All-Inclusive Maximum Price

The dollar cost bid should contain all pricing information relative to performing the audit engagement as described in this request for proposals. The total all-inclusive maximum price to be bid is to contain all direct and indirect costs including all out-of-pocket expenses. CREC will not be responsible for expenses incurred in preparing and submitting the technical proposal or the dollar cost bid. Such costs should not be included in the proposal.

2. Fixed Fees by Category

The dollar cost bid should include a schedule of professional fees and expenses, presented in the format provided in the attachment (Appendix D), which supports the total all-inclusive price.

3. Rates for Additional Professional Services

If it should become necessary for CREC to request the auditor to render any additional services requested in this request for proposals or to perform additional work as a result of the specific recommendations included in any report issued on this engagement, then such additional work shall be performed only if set forth in an addendum to the contract between CREC and the firm. Any such additional work agreed to between CREC and the firm shall be performed at the same rates set forth in the schedule of fees and expenses included in the dollar cost bid in Appendix D.

4. Manner of Payment

Progress payments will be made on the basis of hours of work completed during the course of the engagement in accordance with the firm's dollar cost bid

proposal. Interim billings shall cover a period of not less than a calendar month. Ten percent (10%) will be withheld from each billing pending delivery of the firm's final reports.

VII. EVALUATION PROCEDURES

A. Selection Committee

The Deputy Executive Director Finance and Operations, Comptroller and the CREC Finance & Audit Committee will evaluate proposals submitted.

B. Evaluation Criteria

The following represent the principal selection criteria, which will be considered during the evaluation process of proposals:

1. Mandatory Elements

- a. The audit firm is independent and licensed to practice in Connecticut.
- b. The audit firm's professional personnel have received adequate continuing professional education within the preceding three years.
- c. The firm has no conflict of interest with regard to any other work performed by the firm for CREC.
- d. The firm submits a copy of its most recent external quality control review report and the firm has a record of quality audit work.
- e. The firm adheres to the instructions in this request for proposals on preparing and submitting the proposal.
- f. The firm shall submit one copy of at least two Comprehensive Annual Financial Reports issued by Connecticut municipalities in which their opinion is contained. At least one of these reports shall have been awarded the GFOA Certificate of Achievement for Excellence in Financial Reporting within the past five years.

2. Technical Qualifications

- a. Expertise and Experience
 1. The firm's past experience and performance on comparable government engagements.
 2. The quality of the firm's professional personnel to be assigned to the engagement and the quality of the firm's management support personnel to be available for technical consultation.

3. Experience with the preparation of federal and state financial assistance and related reports.
4. Experience in providing assistance to meet the requirements of the Certificate of Achievement for Excellence in Financial Reporting program.

b. Audit Approach

1. Service Delivery Plan: Describe how the firm intends to conduct the audit in the first year versus subsequent years. Describe the service delivery system including what will be done, by whom, how and where. Provide detail on staffing requirements. Describe how the services will be coordinated and monitored and how access to them will be ensured through entrance conferences, progress reporting, and exit conferences.

3. Price

Cost will not be the primary factor in the selection of an audit firm but will be considered in the selection process.

C. Oral Presentations

During the evaluation process, the Deputy Executive Director Finance and Operations may, at her discretion, request any one or all firms to make oral presentations. Such presentations will provide firms with an opportunity to answer any questions the Deputy Executive Director Finance and Operations and the Comptroller may have on a firm's proposal. Not all firms may be asked to make such oral presentations.

D. Final Selection

The Deputy Executive Director will recommend a firm for approval by the CREC Council. It is anticipated that a firm will be selected by April 12, 2019. Following notification of the firm selected, it is expected a contract will be executed between both parties within thirty (30) days of approval.

E. Right to Reject Proposals

Submission of a proposal indicates acceptance by the firm of the conditions contained in this request for proposals unless clearly and specifically noted in the proposal submitted and confirmed in the contract between CREC and the firm selected. CREC reserves the right without prejudice to reject any or all proposals or parts thereof for any reason, to negotiate changes to proposal terms and to waive minor inconsistencies with the request for proposal.

APPENDIX A

LIST OF KEY PERSONNEL, OFFICE LOCATIONS AND TELEPHONE NUMBERS

<u>Name and Title</u>	<u>Location of Office</u>	<u>Telephone</u>
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THIS LIST SHOULD INCLUDE ALL KEY OFFICIALS OF THE GOVERNMENT WHO MAY NEED TO BE CONTACTED BY THE AUDITORS, INCLUDING LEGAL STAFF, DEPARTMENT HEADS (ESPECIALLY THOSE RESPONSIBLE FOR MANAGING FEDERAL OR STATE FINANCIAL ASSISTANCE PROGRAMS), ELECTRONIC DATA PROCESSING STAFF, AS WELL AS ALL KEY FINANCE DEPARTMENT PERSONNEL.

APPENDIX B

PROPOSER GUARANTEES
AND
PROPOSER WARRANTIES

Proposer Guarantees

1. The proposer certifies it can and will provide and make available, at a minimum, all services set forth in Section IV, Nature of Services Required.

Proposer Warranties

1. Proposer warrants that it is willing and able to comply with State of Connecticut laws with respect to foreign (non-state of Connecticut) corporations.
2. Proposer warrants that it is willing and able to obtain an errors and omissions insurance policy providing a prudent amount of coverage for the willful or negligent acts, or omissions of any officers, employees or agents thereof.
3. Proposer warrants that it will not delegate or subcontract its responsibilities under an agreement without the express prior written permission of CREC.
4. Proposer warrants that all information provided by it in connection with this proposal is true and accurate.

Signature of Official: _____

Name (typed): _____

Title: _____

Firm: _____

Date: _____

**APPENDIX C
INSURANCE**

INSURANCE EXHIBIT - PROFESSIONAL SERVICES

The professional individual or firm shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from, or be in connection with the performance of the work hereunder by the individual or the firm, his agents, representatives, or employees. The cost of such insurance shall be included in the proposal.

For the purpose of this clause, the term "professional individual or firm" shall also include the individual's or firm's respective officers, agents, officials, employees, volunteers, boards and commissions.

A. Minimum Scope and Limits of Insurance

1. Commercial General Liability

\$1,000,000 combined single limit per occurrence for bodily injury, personal injury, property damage, and products / completed operations.

2. Automobile Liability

\$1,000,000 combined single limit per occurrence for bodily injury and property damage

3. Umbrella Liability

\$1,000,000 per occurrence, following form.

4. Workers' Compensation and Employers Liability

Workers' Compensation: Statutory

5. Employers' Liability

\$500,000 each accident
\$500,000 disease/policy limit
\$500,000 disease/each employee

6. Professional Liability (if issued on a claims-made basis, insurance coverage shall be maintained for the duration of the contract and for two (2) years following contract completion.)

\$5,000,000 per occurrence
\$5,000,000 aggregate

B. Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared to and be approved by CREC. The Auditor is responsible for payment of all deductibles or self-insured retentions.

C. Other Insurance Provisions

The policies are to contain, or be endorsed to contain, the following provisions;

- 1. Liability, (General, Automobile, Professional) Coverage;
 - a. **"CREC and its respective officers, agents, officials, employees, volunteers, boards and commissions"** are to be **named as additional insureds** with regards to liability arising out of activities performed by or on behalf of the Auditor; products and completed operations of the Auditor; premises owned, leased or used by the Auditor.
 - b. The Auditor's insurance coverage shall be the primary insurance as regards CREC. Any insurance or self-insurance maintained by CREC shall be in excess of the Auditor's insurance and shall not contribute with it.

D. Acceptability of Insurers

- 1. Insurance is to be placed with insurers which have a Best's rating of at least A-.
- 2. Insurance companies not admitted and licensed in the State of Connecticut must be submitted to CREC's Deputy Executive Director Finance and Operations for approval.

E. Verification of Coverage

The Auditor shall furnish CREC with certificates of insurance evidencing coverage required by this clause. The certificates and endorsements for each insurance policy are to be signed by a person authorized by the insurer to bind coverage on its behalf. The certificates and endorsements are to be received and approved by the Deputy Executive Director before work commences. Renewal of expiring certificates shall be filed thirty (30) days prior to expiration. CREC reserves the right to require complete, certified copies of all required policies, at any time. The Auditor is responsible for notifying CREC 30 days in advance of cancellation, non-renewal or material change in all required policies.

All insurance documents required by this Exhibit shall be mailed to the Deputy Executive Director.

Signed: _____

Auditor: _____

CREC _____

Date _____

Date _____

APPENDIX D

To be submitted on your firm's letterhead in a **separate envelope**.

Firm's Name:

Location of office staffing the audit:

Number of Municipal professional audit staff at this location: _____

Number of Municipal audit staff to be assigned to CREC: _____

Connecticut Municipal audit clients (FY 2018 engagements for municipalities with populations of 20,000 or more):

FIXED FEES

CREC:	Year 1	Year 2	Year 3
Financial	\$ _____	\$ _____	\$ _____
Pension	_____	_____	_____
<i>CDBG and Single Audit (Federal)</i>	_____	_____	_____
<i>Single Audit (State)</i>	_____	_____	_____
Preparation of Financial Statements (If required)	_____	_____	_____
SUBTOTAL	\$ _____	\$ _____	\$ _____

Board of Education:

Financial	\$ _____	\$ _____	\$ _____
<i>Grants and Single Audit (Fed.)</i>	_____	_____	_____
<i>Single Audit (State)</i>	_____	_____	_____
ED 001, etc.	_____	_____	_____
Cafeteria	_____	_____	_____
BOARD OF EDUCATION SUBTOTAL	\$ _____	\$ _____	\$ _____
COMBINED TOTAL:	\$ _____	\$ _____	\$ _____

Total hours included in Combined Total Fees:

Partner	_____	_____	_____
Manager	_____	_____	_____
Staff	_____	_____	_____

Rate for hours in excess of those above or for services outside the specified scope,
\$_____per hour.

Submitted by	_____	Date	_____
Signature	_____	Title	_____
Telephone	_____	Fax	_____

APPENDIX E

(To be submitted on your firm's letterhead)

Kate Rotella
Purchasing Manager , CREC
111 Charter Oak Avenue
Hartford, CT 06106

Dear Ms Rotella :

We have read the Request for Proposal and fully understand its intent and contents. We certify that we have adequate personnel, insurance, equipment, and facilities to fulfill the specified requirements. We understand that our ability to meet the criteria and provide the required services shall be judged solely by the Selection Committee.

We have attached the following:

1. Audited *CAFR* reports for two (2) clients as outlined in Section IV, B.
2. Proposal as outlined in Section VI
3. Appendix B: Proposer Guarantees and Warranties
4. Appendix C: Insurance
5. Appendix D: Fixed Fees (separate envelope).

It is further understood and agreed that all information included in, attached to, or required by the Request for Proposal shall be public record upon delivery to CREC.

Submitted by:

(Firm)

Date: _____

(Authorized Signature)

Title: _____

Telephone: _____

Fax: _____