



Town of Wethersfield

505 SILAS DEANE HIGHWAY
WETHERSFIELD, CONNECTICUT 06109

MICHAEL J. O'NEIL
FINANCE DIRECTOR

REQUEST FOR PROPOSALS

AUDITING SERVICES

#2019-13
MARCH 7, 2019

The Town of Wethersfield (hereinafter referred to as the "Town") is requesting proposals from qualified firms of certified public accountants to perform **AUDITING SERVICES** for the fiscal years ending June 30, 2019 through June 30, 2023. Firms must be capable of providing a full range of value-added services, including but not limited to, those outlined in the Scope of Services. Proposals will be accepted at the following location:

Finance Office, Second Floor
Wethersfield Town Hall
505 Silas Deane Highway
Wethersfield, Connecticut 06109

The Request for Proposals ("RFP") may be downloaded at www.wethersfieldct.gov under the Departments/ Finance/Open Bids link, on or after March 7, 2019.

Sealed proposals must be *submitted as six hard copies and one electronic copy (one file on a USB thumb drive)* on designated forms and in designated envelopes clearly marked with the RFP title and opening date. Proposals will be received by the Town of Wethersfield, Finance Department, 2nd Floor, Wethersfield Town Hall, 505 Silas Deane Highway, Wethersfield, CT 06109, **until 2:00 p.m. on March 26, 2019**, at which time they will be publicly opened and read aloud. Proposals received after the date and time specified will not be accepted.

The Town of Wethersfield, after review of all factors, including the terms and conditions, qualifications and price, reserves the right to accept or reject any and all proposals, or any part thereof, or waive defects in the same, or accept any proposal or combination of proposals deemed to be in the best interest of the Town. All proposal documents must be completely filled out when submitted. Proposals must be firm for a period of 60 days following the opening date. Withdrawal of a proposal may be made only with the consent of the Town of Wethersfield.

Michael O'Neil
Finance Director
Town of Wethersfield

I. INTRODUCTION

A. General Information

The Town of Wethersfield, Connecticut is requesting proposals from qualified firms of certified public accountants to audit its financial statements for the fiscal year ending June 30, 2019, with the option of auditing its financial statements for each of the four (4) 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 U.S. General Accounting Office's (GAO) *Generally Accepted Government Auditing Standards*, the audit requirements of the U.S. Office of Management and Budget (OMB)'s Uniform Grant Guidance (Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards), compliance requirements described in OMB's Compliance Supplement; compliance requirements concerning municipal audits as described in the State of Connecticut Office of Policy and Management's Compliance Supplement, and in conjunction and conformity with sections 4-230 through 4-236 of the Connecticut General Statutes (the State Single Audit Act); requirements of the Board of Education of the State of Connecticut, and such other requirements as shall be promulgated by various oversight agencies.

The auditor(s) shall state that the primary purpose of the audit is to express an opinion on the basic financial statements taken as a whole and that the audit is subject to the inherent risk that errors or irregularities may occur and not be detected.

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

Addendum(s) to the RFP, including additional information, may be issued by the Town. When issued, addendum(s) will be posted on the Town's website at <http://wethersfieldct.gov/finance/open-bids>, and on the State of Connecticut contracting portal at https://biznet.ct.gov/SCP_Search/Default.aspx?AccLast=1. It is the Respondent's responsibility to check to see if RFP addendum(s) have been issued by the Town and to ensure that its proposal addresses all addendum(s).

To be considered, the Town **must receive six hard copies and one electronic copy (one file on a USB thumb drive) on designated forms and in designated envelopes clearly marked with the RFP title and opening date, by 2:00 p.m. on March 26, 2019 by the Finance Department (2nd Floor), Town Hall, 505 Silas Deane Highway, Wethersfield, Connecticut 06109**. The Town of Wethersfield reserves the right to reject any or all proposals submitted. Proposals submitted will be evaluated by a Selection Committee composed of the members of the Budget and Finance Committee of the Town Council and such other members should they choose the same.

During the evaluation process, the Selection Committee and the Town of Wethersfield, hereon referred to as the (“Town”) reserve the right, where it may serve the Town of Wethersfield's best interest, to request additional information or clarifications from Submitting Firms, or to allow corrections of errors or omissions. At the discretion of the Town or the Selection Committee, firms submitting proposals may be requested to make oral presentations as part of the evaluation process.

The Town of Wethersfield 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 the Town of Wethersfield and the firm selected.

It is anticipated the selection of a firm will be completed in April. Following the notification of the selected firm it is expected an engagement letter will be executed between both parties within 30 days of approval.

By submitting a proposal, the Respondent certifies that no officer, agent or employee of the Town who has a pecuniary interest in this request for proposal has/nor shall participate in the contract negotiations on the part of the Town, that the proposal is made in good faith without fraud, collusion or connection of any kind with any other Respondent of the same call for proposals, and that the Respondent is competing solely in its own behalf without connection with or obligation to, any undisclosed person or firm. Respondents must fully disclose, in writing to the Town on or before the closing date of this RFP, the circumstances of any possible conflict of interest if the Respondent were to become a contracting party pursuant to this RFP. The Town shall review any submissions by Respondents under this provision and may reject any Proposals where, in the opinion of the Town, the Respondent could be in a conflict of interest or could be perceived to be in a possible conflict of interest position if the Respondent were to become a contracting party pursuant to this RFP.

B. Terms of Engagement

The Contract will begin upon award and will be subject to annual renewal and Council re-appointment for a maximum of five (5) years. However, either party can terminate the agreement for auditing services by serving written notification to the other no later than January 31st of the fiscal year to be audited.

II. DESCRIPTION OF THE GOVERNMENT

A. General

The auditor's principal contact with the Town of Wethersfield will be Michael O'Neil, Director of Finance, who will coordinate the assistance to be provided by the Town to the auditor. The principal contact for the Department of Education will be Matthew Kozaka, Business Manager.

B. Background Information

The Town of Wethersfield serves an area of 13 square miles with a population of approximately 26,000. The Town's fiscal year begins on July 1 and ends on June 30.

In addition to General Government services, the Town provides the following services to its residents:

Police	Fire Protection	Animal Control
Engineering	Building Inspection	Emergency Management
Road Repair	Snow Removal	Solid Waste Removal
Recycling	Human Services	Leaf Removal
Recreation	Planning and Zoning	
Education	Economic Development	

The Town (including education) has a total General Fund payroll of approximately \$50 million covering 720 full-time employees, plus part-time and seasonal employees.

The Town of Wethersfield is organized into several departments and agencies. All funds and account groups are under the administrative control of the:

Finance Officer
Board of Education

More detailed information on the government and its finances can be found in the Comprehensive Annual Financial Report (CAFR), Official Statement, and Budget Summary located on the Town's website at <http://wethersfieldct.gov/content/398/410/5275.aspx>.

C. Fund Structure

The Town of Wethersfield uses the following fund types, all under general ledger control, and account groups in its financial reporting:

<u>Fund Type</u>	<u>Number of Individual Funds</u>
General Fund	1
Special Revenue Funds	21
Internal Service Funds	3
Capital Project Funds	8
Private Purpose Trust Funds	7
Agency Funds	10

The Town has one Pension Trust Fund with assets of \$97,200,000 as of June 30, 2018 and one OPEB Trust Fund with assets of \$16,600,000 at the same date. The Town assessed two mill levies and legally adopted two budgets; one for general taxation and one for the Capital and Nonrecurring Road Fund.

D. Budgetary Basis of Accounting

The Town prepares its budgets on a basis consistent with Generally Accepted Accounting Principles, except that on-behalf payments are not reported as budgetary revenues or expenditures.

E. Pension Plans

The Town of Wethersfield is the administrator of a single-employer Public Employee Retirement System (PERS) defined benefit pension plan for full-time employees, except for non-police new hires as defined in specific bargaining contracts. This plan is included in the statements as a Pension Trust Fund. Prudential Retirement provides custodial and administration services for the Plan. The Town retains Fiduciary Investment Advisors for investment consulting services and Milliman is the Town's actuary. Certified personnel of the Board of Education are covered under the State Teacher's Retirement System.

F. Comprehensive Annual Financial Report

The Town of Wethersfield has received a certificate of achievement for excellence in financial reporting from the Government Finance Officers Association of the United States and Canada for over 20 years. It is the intention of the Town to continue to receive this award annually and will expect the CAFR to meet program requirements. The auditor will review the final draft CAFR for compliance with the certificate program checklists.

G. Availability of Prior Audit Reports

Interested proposers who wish to review prior years' audit reports can review these documents on the Town's website: <http://wethersfieldct.gov/content/398/410/5275.aspx> .

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

A. Statements and Schedules and other pertinent information to be Prepared by the Town of Wethersfield

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

1. Adjusted trial balance for all funds
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. Capital assets schedules
11. Payroll records
12. Tax collection schedules
13. Schedule of Compensated Absences
14. Latest Actuarial Reports
15. Completed ED-001 and Supporting Documents
16. Standard representation letters
20. Required Supplementary Information
21. CAFR Statistical and Trend tables
22. Schedules of federal and state assistance
23. Management's Discussion and Analysis
24. Letter of Transmittal

The staff of the Town of Wethersfield will prepare various worksheets to assist in the financial statement compilation and required supplementary schedules as noted. **However**, auditor assistance is anticipated for the following: conversion of the Fund Financial Statements to the Government-wide GASB 34 financial statement format; preparation of certain note disclosures and certain required supplementary information; submission of data collection form SF-SAC

and Single Audit reporting package; implementation of new Government Accounting Standards Board Statements; and developing responses to any comments and suggestions provided by the Government Finance Officers Association relative to the Certificate of Achievement for Excellence in Financial Reporting program.

B. General

Office space will be provided in close proximity to the financial records. Telephone and internet access will be made available as well as the use of a copier/scanner during the engagement. The auditors will be required to provide their own equipment and other office materials.

C. Report Preparation

Report(s) preparation, editing, reproduction costs and printing shall be the responsibility of the auditor.

IV. NATURE OF SERVICES REQUIRED

A. General

The Town is soliciting the services of qualified firms of certified public accountants to audit its financial statements for the fiscal year ending June 30, 2019, with the option to audit the Town's financial statements for each of the four (4) subsequent fiscal years. These audits are to be performed in accordance with the provisions contained in this Request for Proposal.

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 ended June 30, 2018, as independent auditors for the purpose of rendering an opinion on the annual financial statements of three Connecticut municipalities with a population of at least 20,000.

Understanding of and familiarity with the Government Finance Officers Association ("GFOA") Certificate of Achievement for Excellence in Financial Reporting program.

Location:

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

Reports:

Each Submitting Firm shall submit electronic copies of two Comprehensive Annual Financial Reports issued by Connecticut municipalities in which their opinion is contained. Each of these reports shall have been awarded the GFOA Certificate of Achievement for Excellence in Financial Reporting within the past two years.

Other:

Supervisory members of the audit team, including the "in charge" field auditor, should be Certified Public Accountants and have a minimum of two (2) years of municipal audit experience in the State of Connecticut. The Selection Committee intends to strongly consider municipal audit experience and certification in evaluating the Submitting Firm's audit team.

C. Scope of Work to be Performed

1. The audit firm will perform an audit of all funds of the Town of Wethersfield. The audit will be conducted in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards, issued by the Comptroller General of the United States. The Town's comprehensive annual financial report (CAFR) will be finalized and printed by the audit firm. The audit firm will render their auditors' report on the basic financial statements which will include both government-wide financial statements and fund financial statements. The audit firm will also apply limited audit procedures to Management's Discussion and Analysis and other required supplementary information. In addition, the audit firm will render the appropriate report on compliance and on internal control over financial reporting based on an audit of the basic financial statements performed in accordance with Government Auditing Standards.
2. The audit firm will perform a single audit of the expenditures of federal financial assistance in accordance with OMB Circular A-133 and render the appropriate reports on compliance with requirements applicable to each major program, internal control over compliance in accordance with OMB Circular A133, and on the schedule of expenditures of federal awards. The single audit report will include the appropriate schedule of expenditures of federal awards, footnotes, findings and questioned costs, and follow up on prior audit findings where required.
3. The audit firm will perform a single audit of the expenditures of state financial assistance in accordance with Connecticut General Statutes §§4-230 through 4- 236 and render the appropriate reports on compliance with requirements applicable to each major program, on internal control over compliance in accordance with the state single audit act, and on the schedule of awards/expenditures of state financial assistance. The state single audit report will include the appropriate schedule of awards/expenditures of state financial assistance, footnotes, and findings and questioned costs.

4. All reports will be delivered by early December of each year for the previous fiscal year. A PDF or similar file of the reports that can be posted on the Town's website will be provided to the Town at that time.
5. The Management Letter included as part of the "Recommendations to Management" shall cover audit findings and recommendations affecting internal control, accounting systems, legality of actions and any other material matters and shall include management's responses to auditors' recommendations.
6. Separate reports shall be prepared and submitted for the ED001 and other audit reports as required by the State Department of Education.

D. Working Papers Retention and Access to Working Papers

All working papers and reports must be retained, at the auditor's expense, for a minimum of five (5) years unless the firm is notified in writing by the Town of Wethersfield of the need to extend the retention period. The auditor will be required to make working papers available, upon request by the Town of Wethersfield. In accordance with the requirements of Government Auditing Standards and of the Single Audit Act Amendments of 1996, the auditor is required to provide access to the working papers and photocopies thereof to a federal agency or the Comptroller General of The United States upon their request for their regulatory oversight purposes. If such a request is made, the auditor will inform the Director of Finance prior to providing such access. 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.

E. Other Audit Services

Periodically the Town of Wethersfield is required or desires to have separate advisory services performed. The auditor will be expected to perform these audits and any other audit services requested by the Town of Wethersfield outside of the standard audit. Any additional services authorized by the Town will be performed for a mutually agreed upon fee between the firm and the Town.

F. Implied Requirements

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

G. Special Considerations

The Town of Wethersfield will submit 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. The auditor will be required to provide assistance to the Town of Wethersfield to meet the requirements of that program. 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. Prior to submission of the final report, the firm's staff will provide a copy of the report marked Draft for Discussion Only. A copy of all audit adjustments shall be furnished to the Director of Finance.

The selected firm shall be available on occasion to assist in certain accounting issues if they arise during the course of the year. These issues may include advice on implementation of new governmental accounting pronouncements and internal control procedure improvements. The Town of Wethersfield anticipates it may prepare an official statements in connection with the sale of debt securities which will contain the basic financial statements and the auditor's opinion thereon. The auditor shall, if requested by the financial advisor, underwriter and/or bond counsel, issue a "consent and citation of expertise" as the auditor and any necessary "comfort letters."

V. TIME REQUIREMENTS

A. Proposal Calendar

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

Request for proposal advertised	March 7, 2019
Due date for proposals	March 26, 2019
Interviews with Top Respondents	mid-April
Firm recommendation	late April
Appointment by Town Council	May 2019
Contract date	Within 30 days of appointment

B. Schedule for the Annual Audit

Preliminary field work begins	June 2019
Final audit work begins	On or about September 24, 2019
Exit conference to review CAFR drafts	On or about November 30, 2019
Exit conference with Town Council	On or about January 15, 2020

C. Report Submissions

All reports shall be addressed to the Town Council. The successful Submitting Firm will also submit copies of reports as required by State and Federal Single Audit requirements.

All reports must be submitted by December 15 following the end of the fiscal year being audited.

Where an extension of time may be required, it will be the responsibility of the Auditor to promptly notify the Town, in writing. It is the Town's responsibility to secure all necessary approvals in a timely manner. The Auditor shall promptly notify the Town Manager 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 completed, signed audit report shall be delivered to the Town on or before December 15th. The firm will be responsible for timely delivery of the final CAFR and single audits to all state, federal and private agencies as may be required. In addition to the required filings, the firm will deliver 25 copies of each of the audit reports to Michael J. O'Neil, Director of Finance, 505 Silas Deane Highway, Wethersfield, Connecticut 06109.

In addition to the audit copies, the firm will be required to provide an electronic, searchable copy of the audits in an Adobe Acrobat (PDF) document.

VI. PROPOSAL REQUIREMENTS

A. General Requirements

1. Inquiries

All technical inquiries relative to this RFP must be directed in writing to the Town via email to purchasing@wethersfieldct.gov. Responses to the questions shall be in writing in the form of an addendum to all known firms making proposals. Responses will be posted to the Town website and the State of Connecticut contracting portal.

No other Wethersfield Town employee, elected official, or evaluation committee member should be contacted concerning this RFP during the proposal process. Failure to comply with this requirement may result in disqualification.

2. *Submission of Proposals*

Submission of Technical Proposals and Sealed Dollar Cost Fee Proposals:

In order for a submitting firm to be considered, the original technical proposal and dollar cost fee proposal, must be received together as ***six hard copies and one electronic copy (one file on a USB thumb drive) on designated forms and in designated envelopes clearly marked with the RFP title and opening date, by 2:00 p.m. on March 26, 2019 by the Finance Department (2nd Floor), Town Hall, 505 Silas Deane Highway, Wethersfield, Connecticut 06109***

a. The **“Technical Proposal”** is to include the following:

i. Title Page

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

ii. Table of Contents

iii. Transmittal Letter

A signed letter of transmittal briefly stating the Submitting Firm'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 Submitting Firm Guarantees and Submitting Firm Warranties attached to this request for proposals (Appendix A).

- b. The Submitting Firm shall submit an original and six (6) hard copies of a **“Sealed Dollar Cost Fee Proposal”** attached to this request for proposals (Appendix C).
- c. Submitting Firms should send the completed proposal consisting of the two (2) separate sealed envelopes as follows:
- A **clearly marked original** and five (5) copies of their **technical proposal** and
 - A **clearly marked original** and five (5) copies of the **dollar cost proposal** to:

Michael O’Neil, Director of Finance
Town of Wethersfield
505 Silas Deane Highway
Wethersfield CT.

Envelopes should be labeled as follows:

**SEALED REQUEST FOR PROPOSAL
AUDITING SERVICES
DATE – MARCH 26, 2019
TIME - 2:00 P.M.
ENVELOPE #1 - TECHNICAL PROPOSAL or ENVELOPE #2 - DOLLAR COST PROPOSAL**

B. 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 the Town 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 C). The proposal should be prepared simply and economically, providing a straightforward, concise description of the Submitting Firm's capabilities to satisfy the requirements of the request for proposals. While additional items may be presented, the following subjects, items Nos. 2 through 8, 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 the Town of Wethersfield 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 the Town of Wethersfield 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 Town 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 principal 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 principals, 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.

audit personnel may be changed at the discretion of the Submitting Firm 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 principals, 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 the Town's budget and related materials, organizational charts, manuals and programs, and financial and other management information systems.

Submitting Firms 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.
- c. Sample size and the extent to which statistical sampling is to be used in the engagement.
- d. Type and extent of analytical procedures to be used in the engagement.
- e. Approach to be taken to gain and document an understanding of the Town's internal control structure.
- f. Approach to be taken in determining laws and regulations that will be subject to audit test work.
- g. 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 the Town.

NO DOLLARS SHOULD BE INCLUDED IN THE TECHNICAL PROPOSAL.

C. SEALED DOLLAR COST FEE PROPOSAL

1. Total All-Inclusive Maximum Price

The Sealed Dollar Cost Fee Proposal, hereon referred to as “dollar cost bid”, shall 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.

The Town 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 C) that supports the total all-inclusive price.

3. Rates for Additional Professional Services

If it should become necessary for the Town of Wethersfield to request the auditors 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 the Town and the firm. Any such additional work agreed to between the Town 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 C.

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 the total pending the delivery of the final reports.

VII. EVALUATION PROCEDURES

A. Selection Committee

Proposals submitted will be evaluated by a Selection Committee composed of the members of the Town Council and such other members should they choose any.

B. Evaluation Criteria

The following represents the principal selection criteria that 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 the Town.
- 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 electronic copies of two Comprehensive Annual Financial Reports issued by Connecticut municipalities in which their opinion is contained. Each of these reports shall have been awarded the GFOA Certificate of Achievement for Excellence in Financial Reporting within the past two 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.

3. Service Delivery Plan

- a. 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.

4. Price

- a. Cost will not be the primary factor in the selection of an audit firm.

C. Oral Presentations

During the evaluation process, the Selection Committee may, at its discretion, request any one or all firms to make oral presentations. Such presentations will provide firms with an opportunity to answer any questions the Selection Committee may have on a firm's proposal. Not all firms may be asked to make such oral presentations.

D. Final Selection

The Selection Committee will recommend a firm for approval by the Town Council.

It is anticipated that a firm will be selected in May. 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 the Town of Wethersfield and the firm selected.

The Town of Wethersfield 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

**SUBMITTING FIRMS GUARANTEES
AND WARRANTIES**

Submitting Firm Guarantees

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

Submitting Firm Warranties

1. Submitting Firm warrants that it is willing and able to comply with State of Connecticut laws with respect to foreign (non-state of Connecticut) corporations.
2. Submitting Firm 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. Submitting Firm warrants that it will not delegate or subcontract its responsibilities under an agreement without the express prior written permission of the Town of Wethersfield.
4. Submitting Firm 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 B

**INSURANCE SPECIFICATIONS AND REQUIREMENTS
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. **Broad Form Comprehensive 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**

Limits as required by State of Connecticut Labor Code

5. **Employer’s Liability**

\$100,000	each accident
\$500,000	disease/policy limit
\$100,000	disease/each employee

6. **Professional Liability** (if used on a claims-made basis, insurance coverage shall be maintained for the duration of the contract and for two (2) years following contract completion.)
\$1,000,000 per occurrence
\$1,000,000 aggregate
7. **Personal Property Coverage**
\$100,000 Professional Papers

Adequate insurance to cover the value of personal property (including but not limited to, personal computers) belonging to the Auditor while located on Town property, while in use or in storage, for the duration of the contract.

B. Aggregate Limits

Any aggregate limits must be declared to and be approved by the Town. At the option of the Town, the insurer shall increase or eliminate the aggregate limit and notify the Town of any erosion of aggregate limits.

C. Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared to and be approved by the Town. At the option of the Town, the insurer shall reduce or eliminate such deductibles or self-insured retentions as regards the Town or the Auditors shall procure a bond which guarantees payment of the losses and related investigations, claims administration and defense expenses. At no time will the Town be responsible for the payment of deductibles or self-insured retentions.

D. Notice of Cancellation or Non-renewal

Each insurance policy required by this Exhibit shall be endorsed to state that coverage shall not be suspended, voided, canceled, or reduced, either in coverage or in limits, except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the Town.

E. Other Insurance Provisions

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

1. Liability, (General, Automobile, Professional) Coverage;

- a. **“The Town 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. The coverage shall contain no special limitations on the scope of protection afforded to the Town.
- b. The Auditor’s insurance coverage shall be the primary insurance as regards the Town. Any insurance or self-insurance maintained by the Town shall be in excess of the Auditor’s insurance and shall not contribute with it.
- c. Any failure to comply with the reporting provisions of the policies shall not affect coverage provided to the Town.
- d. Coverage shall state that the Auditor’s insurance shall apply separately to each insured against whom a claim is made or a suit is brought, except with respect to the limits of the insurer’s liability.

2. Workers’ Compensation and Employer’s Liability Coverage

- a. The insurer shall agree to waive all rights of subrogation against the Town for losses arising from the work performed by the Auditor for the Town.
- b. If State statute does not require the Auditor to obtain Workers’ Compensation insurance, then the Auditor shall furnish the Town with adequate proof of the self-employment status. The Auditor agrees to waive all rights of claims against the Town for losses arising from the work performed by the Auditor. In the event that during the contract this self employment status should change, the Auditor shall immediately furnish proper notice to the Town and a certificate of insurance indicating that Workers’ Compensation insurance and Employer’s Liability coverage has been obtained by the Auditor as required by this Exhibit.

F. Acceptability of Insurers

1. Insurance is to be placed with insurers which have a Best’s rating of at least A.
2. Insurance companies must either be licensed to do business in the State of Connecticut or be deemed to be acceptable by the Town’s Town Manager.

G. Verification of Coverage

The Auditor shall furnish the Town with certificates of insurance effecting 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 Town Manager before work commences. Renewal of expiring certificates shall be filed thirty (30) days prior to expiration. The Town reserves the right to require complete, certified copies of all required policies, at any time.

All insurance documents required by this Exhibit shall be mailed to the Director of Finance.

Signed:

Auditor: _____ Date _____

Town: _____ Date _____

APPENDIX C

FORMAT FOR DOLLAR COST PROPOSAL

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

- a) Firm's name
- b) Location of office staffing the audit
- c) Number of municipal professional audit staff at this location
- d) Number of municipal audit staff to be assigned to Town of Wethersfield
- e) Connecticut municipal audit clients (FY18 engagements for municipalities with populations of 20,000 or more)

FIXED FEES

	2019 Year 1	2020 Year 2	2021 Year 3	2022 Year 4	2023 Year 5
Town:	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
Board of Education:	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
Combined total	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____

Total hours included in combined total fees:

Partner _____
Manager _____
Staff _____

Submitted by _____ Date _____

Signature _____ Title _____

Email address _____ Telephone _____

APPENDIX D

SAMPLE AUDIT SERVICES PROPOSAL LETTER
(To be submitted on your firm’s letterhead)

Michael J. O’Neil, C.P.A.
Director of Finance
Town of Wethersfield
505 Silas Deane Highway
Wethersfield, Connecticut 06109

Dear Mr. O’Neil:

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. Electronic copies of audited CAFR reports for two (2) clients as outlined in Section IV, B.
2. Technical Proposal as outlined in Section VI
3. Appendix A: Submitting Firm Guarantees and Warranties
4. Appendix B: Insurance Specifications and Requirements
5. Appendix C: Sealed Dollar Cost Fee Proposal (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 the Town.

Submitted by _____ Date _____

Signature _____ Title _____

Telephone _____ Fax _____

Email Address _____