

REQUEST FOR PROPOSAL
AUDITING SERVICES
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TOWN OF RAYMOND, MAINE

REQUEST FOR PROPOSAL AUDITING SERVICES

1. INTRODUCTION

The Town of Raymond is requesting proposals from qualified firms of certified public accountants for auditing and related services for a three-year term, beginning with the fiscal year ending June 30, 2022. The Town of Raymond reserves the right to extend the contract for another year or years up to a maximum of an additional 3-year term if mutually agreeable. The audit firm is also required to perform the audit so as to satisfy the audit requirements imposed by the Single Audit Act OMB A-133, when applicable.

These audits are to be performed in accordance with auditing standards generally accepted in The United States of America, Government Auditing Standards issued by the Finance Director General of the United States, the laws of the State of Maine, provisions of the Single Audit Act of 1984 (as amended in 1996) and U.S. Office of Management and Budget (OMB) Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and Maine Uniform Accounting and Auditing Practices for Community Agencies.

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

All inquiries concerning the request for proposal should be addressed to Charisse Keach, Finance Director of the Town of Raymond via e-mail at charisse.keach@raymondmaine.org.

To be considered, five (5) copies of the proposal must be received by the Town of Raymond by Friday, April 29, 2022, at 4:00 PM. Faxed proposals and proposals received after that date and time will not be accepted. The Town of Raymond reserves the right to reject any or all proposals submitted and is not obligated to accept the lowest bid if considered to be in the best interest of the Town.

2. NATURE OF SERVICES REQUESTED

A. General Information

The Town of Raymond is a municipal corporation under the laws of the State of Maine with a population of approximately 4,500 with a seasonal influx during the summer months. The general fund gross appropriation for fiscal year 2021-22 is \$5,580,575 and our mil rate is \$14.10 per \$1,000 of real estate valuation. The most recent audit of the Town was for fiscal year ending June 30, 2020, and the audit for fiscal year June 30,

2021, is underway. The town is a member of RSU #14 school district serving Windham and Raymond. The RSU#14 assessment for FY2022 totaled \$10,818,645.

B. Fund Structure

The accounting system of the Town consists of a general ledger and related subsidiary ledgers, separate self-balancing funds are maintained for the Town General Fund, Special Revenue Funds, Tax Increment Financing Funds, Capital Project Funds, Enterprise Funds (Tassel Top Park), and Permanent Funds.

C. Federal Assistance and Single Audit

During the fiscal year ending June 30, 2021, the Town of Raymond was not subject to single audit requirements.

D. Scope of Work

1. The Town of Raymond desires an examination of its basic financial statements, conducted in accordance with generally accepted auditing standards, for the purpose of providing an opinion on those statements. If applicable, the Town of Raymond will also require an examination of its expenditures of Federal Awards, as required by *Government Auditing Standards* and OMB Circular A-133.
 - a. Reports required by applicable standards, laws, common practice, and rules and regulations are expected.
 - i. Final reports are to be prepared and completed no later than November 30 following the close of the fiscal year, unless otherwise mutually agreed upon in writing.
2. Develop the Management Discussion and Analysis in conjunction with and cooperation of the Finance Director.
3. Review internal controls and procedures and make appropriate recommendations for improvement
4. Assist in the development and maintenance of the Town's fixed assets

E. Auditing Standards

To meet the requirements of this request for proposal, the audit shall be performed in accordance with Generally Accepted Auditing Standards and if applicable: *Government Auditing Standards*,

F. Reports and Communication

Following the completion of the audit of the fiscal year's financial statements, the auditor shall issue:

A report on the fair representation of the financial statements in conformity with generally accepted accounting principles.

All reports required by *Government Auditing Standards*, the Single Audit Act of 1984, as amended in 1996, and Maine Uniform Accounting and Auditing Practices for Community Agencies if applicable.

One (1) unbound hard copy of each report and an electronic version of same is to be provided to the Town, as well as seven (7) bound copies of each.

The firm's senior auditor / manager shall be available to make a presentation to management and the Board of Selectmen to explain the audit process and final audit.

The auditor shall communicate in writing a letter to management disclosing any material weaknesses and/or significant audit findings while performing the audit. Definitions of these conditions shall be consistent with professional practice.

Auditors shall be required to make an immediate, written report of all irregularities and illegal acts.

Other reports as required by professional standards.

G. Additional Services

The firm is expected to provide the Town with information on current developments including governmental accounting standards which could affect its financial operations and management.

The Town may also require consultation on a variety of auditing, financial reporting, accounting, and payroll-related issues, which arise during the year.

The firm shall agree to provide copies of its working papers to the Town upon request.

The firm shall file the Municipal Audit Procedural Form and a copy of the auditor's report with the State Department of Audit within thirty (30) days after completion of the audit.

The firm will complete all necessary sections of the Federal clearinghouse Form SF-SAC and submit such reports (if applicable).

3. DESCRIPTION OF THE GOVERNMENT

A. Payroll Information

The Town of Raymond outsources its' bi-weekly payroll to Bangor Savings Payroll Services who also is responsible for filing the quarterly payroll returns, year-end reporting, and issuing W2s to our staff.

B. Magnitude of Finance Operations

The Town's financial operations are managed by the Finance Director and the Deputy Treasurer.

C. Town's operations

The Town employs approximately 30 full-time employees and several part-time, per-diem, and seasonal employees. We have a Public Works Department, Fire & Rescue Department, Code Enforcement Department, General Government Administration, and a Parks Recreation Department. The Town of Raymond contracts its' assessing and IT technology services.

D. Computer Systems

The Town of Raymond uses TRIO software for Cash Receipting, Budgetary, and Real Estate Billing and Collections.

4. MISCELLANEOUS

All firms acknowledge and understand that the Town will not pay for any cost incurred by firms in connections with the preparation or submission of a proposal.

The Town of Raymond reserves the right without prejudice to reject any and all proposals, should it be deemed in the best interest of the Town to do so, and to make the award which, in its judgment, will best meet the needs of the Town, as expressed in this RFP. The Town's Board of Selectmen will make the final award decision.

Submission of a proposal indicates acceptance by the firm of the conditions contained in the Request for Proposal unless clearly and specifically noted in the proposal submitted and confirmed in the contract between the Town of Raymond and the firm selected.

Pursuant to the Maine Freedom of Access Act, all firms understand that proposals, once submitted to the Town, are public documents and are available for inspection by any interested parties.

5. ASSISTANCE TO BE PROVIDED TO THE AUDITOR & REPORT PREPARATION

A. Finance Department

The Finance Department, management, and other responsible personnel will be available during the audit to assist the firm by providing information and supporting documentation.

The Finance Department staff will provide all necessary trial balances, budget reports, bank statements and reconciliations, accounts receivable and accounts payable schedules, and other supporting documentation as necessary to properly support the financial statements.

Requests for information shall be directed to the Finance Director who will coordinate the process of compiling the information understanding the request shall allow sufficient time to compile the information while the Finance Department staff and other personnel continue their daily activities.

B. Work Area

The Town of Raymond will provide the auditor with reasonable workspace. The auditor will also have access to photocopying and an internet connection for the purpose of performing the audit.

C. Report Preparation

The cost associated with the report preparation, editing, and printing shall be the responsibility of the auditor.

6. EVALUATION PROCESS

A. Independent Auditor Selection Committee

Proposals submitted will be evaluated by the Finance Director, the Town Manager, and the Deputy Treasurer.

B. Review and Evaluation of Proposals

The Committee shall review and evaluate proposals based on but not limited to the following criteria:

- Audit Approach
- Firm Qualifications and Experience
- Experience and expertise of proposed auditing staff
- Ability to meet deadlines
- References
- Pricing

Price will not be the sole determinant in the selection process. The Town of Raymond's intent is to select an independent auditing firm that can best demonstrate its ability to provide quality and value-added services, both at a competitive price.

As part of the review and evaluation process, the Committee may, at its discretion, request any, or all, audit firms to make oral presentations. Such presentations will provide the audit firm with an opportunity to answer questions that the Audit Selection Committee may have regarding the proposal. Not all firms may be requested to make oral presentations.

The Town Manager will make a final recommendation to the Board of Selectmen, who will make the final decision. Following selection, the successful bidder will be notified and will enter into a contract prepared by the firm with the Town. The contract will be based on the provisions of this RFP and will describe the terms and conditions under which the audit firm will be appointed, assigned tasks, compensation, audit timeline, renewal, and termination.

7. RESPONSE FORMAT

In order to facilitate the evaluation and comparison of all proposals, please organize and label your response in the same order as presented in the Statement of Qualifications below.

A letter of transmittal should state the firm's understanding of the scope of the audit and contain a firm commitment to meet the audit specifications within the stated timeframe(s). The letter should also identify the name and position of the person who is authorized to enter into a contract.

Five (5) copies of your proposal must be submitted in a sealed envelope marked "INDEPENDENT AUDIT PROPOSAL" and submitted to:

Town of Raymond
Attn: Charisse Keach, Finance Director
401 Webbs Mills Road
Raymond, ME 04071

Proposals must be received at the above address by Friday, April 29, 2022, at 4:00 PM. It is the firm's sole responsibility to ensure that the proposal is physically submitted and received by the Town prior to the time and date specified. Faxed and emailed proposals will not be accepted. Questions on the RFP can be addressed to the Finance Director at charisse.keach@raymondmaine.org.

8. STATEMENT OF QUALIFICATIONS

A. Accounting Firm Qualifications

The Town considers it essential that the selected accounting firm be recognized as having extensive experience and expertise in the area of **municipal** accounting and auditing. In order to assist in evaluating expertise, the firm's municipal background and qualifications should be presented.

1. Please provide a general profile of the firm, including information regarding:
 - a. The location of the office from which the audit is to be conducted.
 - b. The number and positions of the various professional staff located at that office.
 - c. The range of services performed by that office, such as audit, accounting, tax and management services.
2. Please indicate the number of municipal and school clients your firm currently serves, indicating the services provided and the clients' locations.
3. For municipalities and schools for which auditing services are provided, indicate the client's name, contact information, total adopted budget (most recently audited), engagement partner, and senior/in charge person(s) assigned.
4. Briefly describe your firm's municipal practice, including anticipated major accounting and financial issues facing the municipalities over the next three (3) years. Indicate how your firm is prepared to assist the Town with these issues.
5. Briefly describe any municipal-related training and continuing education programs offered to your staff to achieve the required CPEs.

B. Audit Services

Briefly describe your firm's audit approach used to ensure a comprehensive and cost-effective municipal audit.

Please identify by name who will be assigned to the audit, i.e., the engagement partner, secondary partner, manager, supervisor, and senior and staff auditors. Identify how the firm will notify the Town of any change in staff assigned to the Town's audit.

For each individual, at senior level or above, indicate the number of years of governmental auditing experience and experience with compliance audits

C. Timing of Audit Work

Assuming your firm's appointment, provide a timetable of the major events for completion of the June 30, 2022, audit through delivery of your final reports. Please identify any concerns or obstacles.

D. Proposed Fee

Indicate the total fee your firm will charge for the audit services outlined and the hourly rate of the staff person assigned to providing any additional services that may be requested.

Progress payments will be made on the basis of hours of work, and estimated percent of completion. The Town will retain 25% of the engagement fee until delivery of Final Report.

The final payment shall become due only after the submission of all reports required or requested by the Town.

E. General

Briefly describe any other information that might be helpful in evaluating your firm with regard to this request for proposal.