

Request for Proposal Auditing Services



Town of Camden, Maine

Proposals Due – April 26, 2021

Address Proposals to:

Town of Camden

Attention: Jodi Hanson – Finance Director

29 Elm Street, P.O. Box 1207

Camden, ME 04843

The intent of this RFP is to enter into contract with an auditor or auditing firm to conduct an annual audit of the Town's financial records.

SECTION I - GENERAL SUBMISSION INFORMATION**1.1 REQUEST FOR PROPOSAL FOR AUDITING SERVICES**

The Town of Camden, Maine is requesting proposals for auditing services for a period of no less than three (3) years, with an annual renewal option, from qualified independent certified public accountants to perform required external audits. The three-year proposal shall include the fiscal years ending June 30, 2021, 2022 and 2023. The annual renewal option may extend beyond these years, and may be negotiated with the successful bidder. The purpose of this process is to obtain high quality municipal auditing services at a competitive price.

Responses must address all of the items listed in this request for proposal and be submitted in a sealed envelope marked “**Auditing Services Proposal**” and contain a cover letter, no later than **2:00 p.m.** on April 26, 2021 to:

Jodi Hanson
Finance Director
Town of Camden
29 Elm Street
P.O. Box 1207
Camden, ME 04843

Please include one original and two copies. Questions or requests for clarification may be directed to Jodi Hanson, Finance Director, at (207) 236-3353 x7117, or email at jhanson@camdenmaine.gov.

Any exceptions to the specifications of this request for proposal must be clearly stated in writing in the proposal. **The Town of Camden reserves the right to reject any or all bids, or to accept the bid that in the opinion of the Town Manager is in the best interest of the Town.**

1.2. GENERAL INFORMATION

The Town of Camden is a municipal corporation of the State of Maine with a population of approximately 4,850 and current annual budgeted expenses of \$23.7 million. This includes approximately \$12.5 million of which is paid in equal monthly installments to MSAD 28 and Five Town CSD; \$1.48 million to county government; and \$242,000 to a regional solid waste facility – Mid-Coast Solid Waste Corporation.

The Town also has two enterprise funds; one enterprise fund is for Wastewater activities with annual budgeted expenses of approximately \$1.56 million; and the other enterprise fund is for the Camden Snow Bowl, which is a ski area operational during the winter season. The Snow Bowl’s annual budget is approximately \$950,000.

The Town employs on a regular basis approximately 60 employees; call firefighters and seasonal employees can increase that number to approximately 125 or more employees. Full-time employees of the Town are eligible to participate in the Maine Public Employees Retirement System (MPERS). The Town also offers a deferred compensation plan (457) to its full-time employees, and a number of other employee benefits.

The Town is required by local, state and federal laws and regulations to have an independent certified public accountant (Auditor) perform an annual external audit of their financial statements. These audits are to be performed with generally accepted auditing standards. The municipal audit includes the Town as well as the Wastewater and Snow Bowl accounts. The Town requires the Auditor to present the Select Board with a set of audited financial statements before January 31st of the calendar year that follows the close of the fiscal year (June 30).

The Town is committed to quality financial reporting, maintaining adequate systems of internal control and proper stewardship of public funds. Consistent with this, the Town expects an audit that clearly meets all applicable auditing standards.

The Town provides the following services to its citizens:

General Government

- Administration
- Town Manager
- Town Clerk
- Planning & Community Development
- Finance
- Assessing

Public Assistance

- General Assistance

Public Safety

- Police Department
- Fire Department
- Animal Control

Public Works

- Public Works

Leisure Services

- Parks
- Recreation
- Harbor
- Opera House

Enterprise Funds

- Wastewater
- Snow Bowl

The Town currently utilizes the TRIO accounting software. The accounting system comprises several funds for Town operations, including general operating expenses, general revenues, reserve accounts, special revenue funds, capital funds, enterprise funds, etc.

1.3. AUDIT STANDARDS

The Auditor shall conduct the audit of the accounts and records of the Town in accordance with generally accepted auditing standards and principles for the Town and related services.

1.4. AUDIT SCOPE

The Auditor shall perform a financial and compliance audit of the general-purpose financial statements, accounts, records, and procedures of all departments and funds of the Town. A Single Audit conducted in accordance with the Single Audit Act of 1984 and OMB Circular A-133 is required for federally assisted programs, if any.

The following are audit specifications:

- A. The Auditor shall perform a financial and compliance audit of all funds reported in the Town of Camden's financial statements, including the Town's General Fund, Wastewater Enterprise Fund and Snow Bowl Enterprise Fund.
- B. The Auditor shall provide an opinion on the General Fund Financial Statements for the Town. This includes an opinion on the government-wide financial statements, fund financial statements and notes to the financial statements. The Auditor shall also perform the single audit (A-133) of federal grant programs, if required.
- C. The Auditor shall prepare the Management's Discussion and Analysis document and other required supplementary information for the Town.
- D. The Auditor shall complete the Statement of Net Assets and Statement of Activities for the Town.
- E. The Auditor shall provide the Town with other statements and exhibits as may be required.
- F. The Auditor shall agree to make available its working papers upon request, to meet any Town financial need as well as in accordance with any federal or state grant provision. Working papers will be kept for six (6) years from submission of the final audit report.
- G. The Town views its engagement of an Audit Firm/Auditor as an ongoing professional relationship in which the Firm/Auditor is expected to provide occasional advisory services, as needed, during the course of each year. As such, the firm is expected to consult as required on auditing, accounting, financial reporting and operating questions, which may arise during the course of the year. In addition, the Firm/Auditor is expected to provide the Town with information on current developments, which would affect the Town's financial operations.
- H. The Auditor shall be available to attend public meetings at which the audit report may be discussed. The Auditor or a member of his/her staff shall also be available to discuss the audit report or other reports required by this proposal with the Town's Finance Director.

1.5. FORMAT REQUIRED

Proposals must be presented in tabs as described in the paragraphs that follow. The proposal shall respond to all requirements of this RFP. Any other information thought to be relevant, but

not applicable to the enumerated categories, may be provided as a separately bound appendix to the proposal. The proposal should be concise and to the point.

- A. **Title Page**
- B. **Table of Contents**
- C. **Letter of Transmittal** – Brief Summary.
- D. **Audit Approach** – Statement of how the Auditor will plan, conduct, and report on the audit, and coordination with management.
- E. **Qualifications and Experience of Firm; References** - Explain how the Auditor and/or his/her firm is qualified to perform a governmental audit, including a minimum of five years’ experience auditing other local governments. A list of references from municipalities within the State of Maine must be provided. This list should include contact name, address, phone number and e-mail address.
- F. **Accessibility** – The degree of accessibility that the Auditor and/or his/her staff will be able to provide the Town.
- G. **Conflict of Interest Disclosure Statement** - All responders must disclose if the Town of Camden or its employee(s), are owners, corporate officers, employees, etc. of their business. A Conflict of Interest Disclosure statement is attached to this RFP and must be completed as part of the responders offer to the Town (page 23).
- H. **Official Bid Response Form** – Attached to this RFP, pages 16 and 17.
- I. **Compensation** – Estimate the total hours and resulting all-inclusive maximum fee for which the requested work will be done.

One Year Audit for fiscal year end June 30, 2021
 Single Audit for fiscal year end June 30, 2021
One Year Audit for fiscal year end June 30, 2022
 Single Audit for fiscal year end June 30, 2022
One Year Audit for fiscal year end June 30, 2023
 Single Audit for fiscal year end June 30, 2023

Cost should also include providing the Town annually with 10 ring-bound copies of each audit, an unbound paper copy of the audit, and an electronic copy of the audit, some of which shall be included in the Town’s annual report.

1.6. SUBMISSION OF PROPOSALS

Responses must address all of the items listed in this request for proposal and be submitted in a sealed envelope marked “**Auditing Services Proposal**” and contain a cover letter, no later than **2:00 p.m. on April 26, 2021** to:

Jodi Hanson
Finance Director
Town of Camden
29 Elm Street – P O Box 1207
Camden, ME 04853

The cover letter shall, at a minimum, contain the following:

- A. The Auditor’s or Firms statement of understanding of the scope of the audit and a firm commitment to meet the audit specifications within the stated timeframe.
- B. Auditor’s firm name and address.
- C. Name and position of the person who is authorized to bind the firm to a contract, telephone number, and e-mail address.

Please include one original and two copies of each proposal. Questions or requests for clarification may be directed to Jodi Hanson, Finance Director, at (207) 236-3353 ext. 7117, or email at jhanson@camdenmaine.gov.

Any exceptions to the specifications of this request for proposal must be clearly stated in writing in the proposal. **The Town of Camden reserves the right to reject any or all bids, or to accept the bid that in the opinion of the Town Manager is in the best interest of the Town.**

1.7. ADDITIONAL INFORMATION OR INQUIRIES

- A. A copy of the Town’s 2020 Annual Financial Report is available on our website camdenmaine.gov.

1.8. CONTRACTUAL OBLIGATIONS

The proposal submitted by the selected Auditor or Firm shall be considered as the contract between the Town and the Auditor. The Town is not liable for any cost incurred by the bidder in connection with the preparation or submission of a proposal.

1.9. EVALUATION AND SELECTION OF PROPOSALS

It is the intent of the Town of Camden to select the bidder most qualified to provide the best value to the Town. Best value is based not only on cost, but also includes the ability to provide quality desired services and support.

- A. The Finance Director will evaluate all proposals received and prepare an alphabetical listing of those Auditors and/or Auditing Firms determined to be able to provide the services requested. Evaluation of the proposals meeting minimum submission criteria may be based on:
 - i. Responsiveness of the proposal in clearly stating an understanding of the services to be provided for the Town.
 - ii. Experience and expertise of proposed staff.
 - iii. Ability to meet deadlines.
 - iv. Completeness of work plan and procedures/audit approach.
 - v. References within the State of Maine.
 - vi. Cost.

- B. Review of all proposals timely received will proceed as follows:
 - i. The Finance Director will prepare an analysis and a recommendation to the Town Manager for review and approval. Finalist interviews may be requested. All RFP's submitted will be available to the other proposers for review after the recommendation is made.
 - ii. Discussions with the apparent successful bidder will begin upon award of the bid by the Town.
 - iii. If no tentative agreement can be reached with the apparent successful bidder, then negotiations will commence with the bidder whose proposal was the second most

- desirable and continue in similar fashion until such time as a successful bidder can be established.
- iv. The Town will use information gained from any interviews and information presented in the proposals, to rank the Auditors, and all information developed in the selection process to this point. Price will not be the sole determinant in the selection process.
 - v. Town final award of the Town Audit Contract shall be made by the Town Manager after considering the recommendations of the Finance Director.

SECTION II - TOWN'S TERMS AND CONDITIONS

2.1. REJECTION OF PROPOSALS

The Town reserves the right to reject any and all proposals. The Town reserves the right to negotiate with the selected Auditor in order to best serve the Town's needs in respect to both evaluation and cost effectiveness.

2.2. EQUAL EMPLOYMENT OPPORTUNITY STATEMENT

The Auditor shall agree that: (1) the Auditor will not discriminate against any employee or applicant because of race, color, religion, sex, national origin, age, disability or genetic information; and (2) An Equal Opportunity Employer Statement must be enclosed with this proposal.

2.3. PERSONNEL

The personnel designated in the management summary for key positions shall not be changed except with the permission or request of the Finance Director. The Town will only approve such change when, in their opinion, the substitute personnel have equal or greater qualifications and experience than those they replace.

2.4. SUBMITTAL

All proposals must be in the format required in this Request for Proposal. Failure to comply may be reason to declare the proposals non-responsive.

2.5. POST-AWARD

Following the selection of an Auditor or Auditing Firm, the Finance Director will notify all proposers that submitted a proposal of the selected Auditing firm.

2.6. RETURN OF PROPOSAL

The Town advises that all accepted proposals submitted under this RFP shall become the property of the Town of Camden and will not be returned.

2.7. ASSIGNMENT & SUBCONTRACTING

Work under this proposed contract is not to be subcontracted without the prior written consent of the Town Manager.

2.8. AUDIT

The Town reserves the right to review all of the Auditor’s files associated with a subsequent contract where payments are based on Auditor’s record of time, salaries, materials or actual expenses, on demand and without notice. The same right to review will be imposed on any subcontracted Auditor as well.

2.9. SCHEDULE OF PROJECT

To be considered responsive, the proposal shall include a timeline of the work to be performed in order to accomplish the required audit deadline of January 31st.

2.10 INSURANCE

The successful Auditor must furnish to the Finance Director evidence of its professional liability insurance with appropriate limits for each occurrence.

The Auditor also agrees to defend, save harmless and indemnify the Town from and against any and all claims for damages against the Town allegedly caused by the Auditor’s omissions or negligent act in the performance of services under this contract.

The Auditor further agrees to defend, save harmless and indemnify the Town from and against all claims from damages against the Town allegedly caused, or contributed to, his/her intentional failure to perform to the terms and conditions of this contract.

The Auditor shall furnish an original Certificate of Insurance naming the Town as additional insured. This shall be required upon awarding the contract.

2.11 AVAILABILITY OF FUNDS

It is understood and agreed between the parties to any agreement resulting from this proposal that the Town shall not be obligated to purchase or pay for services covered by this agreement unless and until they are ordered, delivered and performed for the Town.

2.12 INVOICING

The successful Firm shall submit separate itemized invoices to the Finance Director for the Town audits with details consistent with the final fixed cost audit contract price. Payments shall be made as defined in Section 3.4 Payment.

2.13 CONTRACT PERIOD

The contract shall be for a period of no less than three (3) years, with an annual option to renew thereafter. The Auditor’s proposal will be considered “The Contract”. Completion of the

“Official Bid Response Form” is required, as attached to this RFP). The contract starting date shall be July 1, 2021, unless another date is determined by the Town to be more practical.

2.14 CANCELLATION OF CONTRACT

By notification: Either party may terminate the contract upon giving written notice of at least three months.

For cause: In the event of breach of the contract by the Auditor or unsatisfactory performance as assessed by the Town Manager, or if the Auditor performs in a manner that precludes the Town from administering its functions in an effective manner and if, after thirty (30) days following written notice thereof, the Auditor has been unable to remedy such breach, or provide satisfactory performance, then the Town Manager shall upon written notice to the Auditor, be authorized to cancel this contract by providing a maximum of thirty (30) days as the final termination date of the contract.

2.15 PROPERTY OF WORK

Any work resulting from the award of this contract will become the sole property of the Town. The successful offer shall not copyright any material and/or reports. Upon request, the Auditor shall turn over all work papers and related documents to the Town.

2.16 CONFLICT OF INTEREST DISCLOSURE

For purposes of determining any possible conflict of interest, all responders, must disclose if the Town of Camden, or its employee(s), are owners, corporate officers, employees, etc. of their business. A Conflict of Interest Disclosure statement is attached to this RFP and must be completed as part of the responder’s offer to the Town.

SECTION III - TECHNICAL CONTRACT REQUIREMENTS

3.1. TOWN FURNISHED ITEMS

- A. The Auditor will have access to all of the Town records as required to perform the audit.
- B. There will be reasonable working space for the Auditor at the Town Office. The Finance Director should be consulted about the scheduling of the work space, as availability is sometimes limited.
- C. Preliminary audit work can start immediately after the contract award.
- D. The Finance Director will be the primary contact and coordinator of the contracts and will coordinate issues related to the preparation of the CAFR and debt issues.

3.2. AUDITOR FURNISHED ITEMS

- A. The Auditor or Auditing Firm will prepare the Town's Comprehensive Annual Financial Report (CAFR).
- B. The Auditor or Auditing Firm shall provide the Town annually with 10 ring-bound copies of the audit, an unbound paper copy of the audit, and an electronic copy of the audit (a Microsoft ®Excel version of the audit that can be included in the Town's annual report).

3.3. AUDIT STANDARDS AND ASSURANCES

- A. The Auditor shall conduct his/her examination and render their report in accordance with:
 - 1. Generally accepted governmental auditing standards as defined by Government Auditing Standards issued by the Comptroller General of the United States and any revisions effective during the audit period.
 - 2. The Single Audit Act of 1984, amended in 1996, and Office of Management and Budget (OMB) Circular A-133, Audits of States, Local Governments, and Nonprofit Organizations and any revisions effective during the audit period. The Auditors shall make all coordinating arrangements with the appropriate agency.
- B. Throughout the audit, communication of potential audit adjustments, potential management comments, potential findings and questioned costs and matters relating to audit progress shall be of a frequency and nature as specified by the Finance Director from time to time. Adequate and timely review by the Audit Partner and Manager shall occur in order to ensure the communications provided for herein. Adequate documentation shall be maintained in the audit work papers and furnished to the Finance Director to support all such items.
- C. The Auditor's management letter shall be addressed to the Town Select Board and shall include all known reportable conditions, including known reportable conditions from a prior audit which have not been corrected; separately identify any reportable conditions which are also material weaknesses; and include conditions discovered by the Auditor that are not reportable conditions but the Auditor chooses to report to management.
- D. The Auditor shall immediately report all irregularities and illegal acts or indications of illegal acts to the Finance Director and Town Manager. If, in the Auditor's opinion the irregularities or illegal acts are of sufficient significance, they shall be reported to the Town Select Board.

- E. During the audit, the Auditor shall report to the Town Manager and Finance Director on the progress of the audit.

- F. The Auditor shall be available to provide incidental or insignificant assistance to audit or accounting inquiries of other natures throughout the contract. Fees for incidental or insignificant assistance in these regards shall be included as part of the contract cost. Non-incidental or significant assistance shall be provided as may be requested and negotiated.

- G. The Auditor agrees that the firm and all auditors working on the audit are independent of the Town, included in the Town's CAFR in accordance with Government Auditing Standards and shall comply with all Federal, State and local laws and regulations in the performance of this engagement. The Auditor agrees to disclose to the Town the presence of litigation against the Town or any other local government, which could impair the Auditor's independence or ability to perform the audit.

3.4. PAYMENT

The Town shall make payment to the Auditor upon completion of the services and acceptance of the report each year for the Town. The Town may make interim payments for work performed by the Auditor as may be agreed by both parties.

3.5. ACCESS TO AUDITORS WORK PAPERS

The Auditor's working papers will be available for routine review by the Town and appropriate auditors of the Federal or State Governments and retained for a period of six (6) years after final issuance of the audit reports. If the auditor is unable to retain the records for this time period, they are to be turned over to the Town.

Should the Town change auditors, the Auditor will make the working papers available to the successor auditor and provide usual and customary professional courtesy and responses to successor auditor inquiries without additional charge to the Town or successor auditor.

3.6. ADDITIONAL WORK UNDER CONTRACT

Additional work under this contract shall only be for audit or audit related services or assistance to the Finance Director as specifically determined and approved in advance by the Town.

SECTION IV - ATTACHMENTS

SCHEDULE FOR SELECTION AND AWARD OF CONTRACT

The schedule for selection and award of contract is as follows:
(Schedule is subject to change at the Town's discretion.)

Town Manager Approval of Draft RFP	April 2, 2021
RFP Sent to Auditing Firms/Auditors	April 2, 2021
Proposals due at Town Office	April 26, 2021
Evaluate proposals	April 27-28, 2021
Interview finalists (if necessary)	May 5,6 & 7, 2021
Notification to Town Manager of Finance Director's recommendation	May 10, 2021
Town Manager's decision	May 12, 2021
Transition process begins (Implementation of contract)	May 13, 2021

**OFFICIAL BID RESPONSE FORM-
TOWN OF CAMDEN**

In accordance with the Request for Proposals, Instructions, and General Conditions to Bidders, Specifications, and Official Bid Form, all of which we recognize as part of the AUDITING SERVICES PROPOSAL, we hereby submit the following:

Annual Audit	Bid Price	Single Audit Price
FYE June 30, 2021		
FYE June 30, 2022		
FYE June 30, 2023		
Total Three-Year Bid Price		

Auditing Firm Name _____

Authorized Signature _____

Printed Name _____

Position _____

E-mail Address _____

Date _____

UPON ACCEPTANCE BY THE
TOWN OF CAMDEN AND
SIGNED BY THE TOWN
MANAGER, THIS
**OFFICIAL BID
RESPONSE FORM** AND
SUCH OTHER DOCUMENTS AS
STATED IN THE
INSTRUCTIONS AND
GENERAL CONDITION TO
BIDDERS, SHALL SERVE AS
THE CONTRACT.

Signature

Audra Caler

Typed Name

Town Manager

Title

Date

For purposes of determining any possible conflict of interest, all responders, must disclose if the Town of Camden, or its employee(s), are owners, corporate officers, employees, etc. of their business.

Indicate either “Yes” (if a Town employee is also associated with your business), or “No”. If “Yes”, give person(s) name(s) and position(s) with your business.

YES

NO

NAME(S)	POSITION(S)

FIRM NAME: _____

BY (Printed Name): _____

BY (Signature): _____

TITLE: _____

ADDRESS: _____

PHONE NUMBER: _____

E-MAIL ADDRESS _____