



Date November 17, 2021

**REQUEST FOR PROPOSALS (RFP)**

The City of Fairfield will receive proposals for audit services relating to the audit for the Fiscal 2022 year(s) ending June 30, 2022. Attached is information relating to minimum specifications of services, data to be included in the proposal, evaluation criteria, and selected information relating to the entity to be audited.

Sealed proposals ( 3 copies) will be accepted until 4:30 p.m., December 30, 2021, at City Hall in Fairfield, Iowa. If mailed, the proposals should be mailed to:

City of Fairfield

Attn: City Administrator

118 S. Main St.

Fairfield, Iowa 52556

Those submitting sealed proposals should indicate on the outside of the envelope in the lower left-hand corner that it is a sealed proposal for the name of the firm submitting the proposal.

The contract for services will be reviewed and intentions to be awarded by January 11, 2022.

Further information may be obtained from City Administrator Aaron Kooiker at (641)-472-6193

## I. SPECIFIC REQUIREMENTS

1. City of Fairfield reserves the right to reject any and all proposals received.
2. Only proposals received at the location described and in the time frame given will be considered.
3. The original and one copy of the enclosed contract should be completed and manually signed by a partner of the firm submitting the proposal.
4. The audit shall be performed in accordance with the following:
  - U.S. generally accepted auditing standards.
  - The standards for financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.
  - The Single Audit Act Amendments of 1996 and Title 2 Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), when applicable.
5. The fees quoted in your proposal and included in the contract will be the maximum paid per hour and in total, unless an amendment to the contract is completed by both parties.
6. The audit report should conform to:
  - Reporting formats specified by the Auditor of State's (AOS) office.
  - AICPA Audit Guides.
  - Governmental Accounting Standards Board reporting requirements.
  - The requirements of the Single Audit Act Amendments of 1996 Title 2 Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), when applicable.
7. The audit report should include a management letter, if appropriate, which includes recommendations related to the financial statements, internal control, accounting systems, and compliance issues.
8. 3 bound copies of the report, including the management letter, are required to be provided by the firm awarded the contract. In addition, an electronic (PDF) copy of the report shall be provided to Cityadmin@fairfieldiowa.gov.
9. An electronic (PDF) of the report, including the management letter, a detailed per diem audit bill, and a copy of the news release shall be submitted to the Auditor of State at SubmitReports@aos.iowa.gov upon release of the reports to the entity.

## **II. DATA TO BE INCLUDED IN PROPOSAL**

In order to simplify the review process and to obtain the maximum degree of comparability, the proposal should include the following items and be organized in the manner specified below.

### **A. Letter of Transmittal**

A letter of transmittal briefly outlining the proposer's understanding of the work and general information regarding the firm and individuals to be involved is permitted, but not required, if it is limited to not more than two pages. If a transmittal letter is presented, it should clearly set forth the local address of the office of the firm which will perform the work, the telephone number and the name of the contact person.

### **B. Table of Contents**

Include a table of contents which identifies the material by section, page number and a reference to the following information to be contained in the proposal. If a transmittal letter is not submitted, please include in the table of contents the local address of the office which will perform the work, the telephone number and the name of the contact person.

### **C. Profile of Firm Proposing**

1. State whether the firm is a local, national or international firm and a brief description of the size of the firm.
2. State whether the firm is in compliance with the registration requirements to engage in the practice of public accounting within Iowa.
3. State whether the firm is independent of the entity to be audited in accordance with Government Auditing Standards.
4. Describe the local office which will perform the audit, including:
  - a. Location of the office.
  - b. Current size of the office.
  - c. Size of professional staff by level, such as partner, manager, supervisor, senior and other professional staff.
  - d. Number of CPA's in the office.
5. Submit any other information required to describe the office which will perform the work.

### **D. Qualifications**

1. Describe the recent local office auditing experience in similar types of audits to which the proposal relates. If appropriate, include regional experience in auditing similar types of entities. If desired, it is permissible to include your five largest clients which are not governmental clients.

## **II. DATA TO BE INCLUDED IN PROPOSAL**

(Continued)

### **D. Qualifications (continued)**

2. Include resumes of all key professional members who will be assigned to the audit. Resumes should be included for all members of the audit team from the audit partner through at least the on-site in-charge auditor. The resumes should include:
  - a. The amount of experience the individual has had in the auditing profession.
  - b. A summary of similar audits on which the individual has worked.
  - c. A summary of the continuing professional education the individual has had in governmental accounting and auditing during the last two years.
  - d. A statement as to whether the individual is independent of the entity, as defined by Government Auditing Standards.
3. Describe the firm's policy on notification of changes in key personnel.
4. Provide a listing of or the number of professionals in the office who are experienced in governmental auditing.
5. Describe the availability of individuals within the firm who are primarily involved in governmental auditing and reporting and with whom the audit team may consult.
6. Describe briefly the firm's system of quality control to ensure the audit is adequately performed.

### **E. Scope of Services and Proposed Schedule**

Briefly describe your understanding of the scope of services to be provided. Indicate a proposed time schedule for completing the work, assuming the contract is issued on the date given in the cover letter. Include the approximate dates you would perform fieldwork, office review, and report preparation and the latest delivery date of the final report.

### **F. Fees and Compensation**

Provide the following information:

1. Estimated total hours.
2. Estimated out-of-pocket expenses.
3. Hourly rate by staff classification.
4. All-inclusive maximum fee and out-of-pocket expenses, which will not be exceeded.
5. Frequency and timing of your billing process.

### **III. EVALUATION CRITERIA**

The proposal will be evaluated based upon the following two areas. Therefore, it is important the proposal is responsive to the data requested.

1. Cost

Overall cost, including out-of-pocket expenses, for performance of the audit.

2. Qualifications

- a. Organizational structure and size of the firm.
- b. Organizational structure and size of the office which will perform the audit.
- c. Recent experience in similar audits.
- d. Qualifications of the audit team.
- e. Individuals with whom the audit team can consult.
- f. Level of effort, understanding of work and timetable to complete the audit.

#### **IV. ENTITY PROFILE**

Suggested information to include:

(1) Administrative Information:

- Background information on the entity;
- Period to be audited;
- Term of contract engagement;
- Schedule of government funds by project or grant to be audited;
- Description and magnitude of the entity's accounting records;
- Description of the entity's computer system(s), if applicable;
- Name and telephone number of a contact person at the federal cognizant or oversight agency; and
- Availability of prior audit reports and working papers.

(2) Work and Reporting Requirements:

- Auditing standards to be followed;
- Extent to which the entity would be required to assist the firm;
- Specific scope of audit work to be performed;
- Number and types of reports required;
- List of restrictions, such as copy services or work space;
- Exit conference requirements;
- Specific audit guides or programs to be followed; and
- Minimum audit requirements under applicable laws, such as Uniform Guidance, including the amendments thereto.

(3) Time Requirements:

- Date of contract award;
- Date records would be ready for audit;
- Dates for completing interim phases, such as fieldwork completion and draft report preparation;
- Date final report is due;
- Working paper retention requirements; and
- Working paper availability requirements for cognizant or oversight agency, when applicable.