

TOWN of SHARON, Vermont

15 School Street

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Request for Proposal **Independent Auditing Services** **Due by 3pm, April 12, 2021**

The Town of Sharon, Vermont invites qualified firms of independent Certified Public Accountants, licensed to practice in the State of Vermont, to submit proposals to conduct audits of its financial accounts and records for Fiscal Years 2021, 2022, and 2023. The Town's fiscal year commences July 1st and ends June 30th. All proposals must conform to the specifications listed below and be submitted via email by 3:00pm on Apr. 12, 2021.

General Information:

Annual audit services are being requested for the Town of Sharon for governmental activities, business-type activities, each major fund, the aggregate remaining fund information and budgetary comparisons, exclusive of the Sharon School District. The Town of Sharon's General and Highway Operating Funds have a combined annual budget of approximately \$1.7 million. There are 7 full-time employees and approximately the same number of regular part-time employees providing services to a Town population of approximately 1500 people. The Town has been on a modified accrual basis since January 1, 1991 and uses NEMRC fund accounting software. Payroll services have been provided by Compucount located in Randolph, VT since FY2013. Sharon has had independent professional audits annually since FY2011.

Scope of Services:

Annual examinations of the Town's financial statements will be made in accordance with generally accepted auditing standards as set forth by the American Institute of Certified Public Accountants and the standards applicable to financial audits contained in the US General Accounting Office's *Government Auditing Standards*.

The audit will obtain evidence about the amounts and disclosures in the financial statements, whether those statements are free from material misstatement, test internal controls, consider the appropriateness of accounting policies used, the reasonableness of estimates made by management, and the overall presentation of the financial statements. The auditor shall express an opinion on the fair presentation of the Town's financial statements in conformity with generally accepted accounting principles.

An electronic file and six copies of the audit reports are required, as well as a formal letter outlining recommendations. The scope also includes a meeting with a member of the audit team and the Selectboard at the completion of the audit and draft audit report.

Qualifications and Staffing:

The proposal shall contain a brief description of the firm's qualifications, competence and capacity to undertake audit services for the Town of Sharon as outlined in this proposal. This should include the firm's background, peer review report along with qualifications and experience in government accounting of partners, supervisors and staff likely to be included in this engagement. The proposal should also include three or more references of municipalities the firm has audited within the past five years, at least two of which should be Vermont municipalities. A certificate of insurance showing general and professional liability, workers compensation and errors & omissions insurance coverage is also required.

Town Assistance During Audit:

All information deemed necessary to commence these annual audits shall be requested in writing prior to the audit. All additional requests for information shall be made in a timely manner. Town assistance will be provided by the Finance Manager, Deborah Jones, with additional assistance from the Treasurer, Margaret Raymond, and Selectboard Assistant, Margy Becker.

Our last audit was done remotely using a file share system and responsive communication between the auditor and the Town employees. We ask that the bid allow for some of the FY2021 audit to be performed in such a manner if Covid-19 remains a concern and/or if both parties find this an efficient way to review documents.

Compensation:

The Town of Sharon requests proposers bid for the three-year period as outlined above, commencing July 1, 2021, and ending when the FY2023 audit is complete. The proposal shall state the number of estimated hours for each category of staff member assigned to this engagement and anticipated hourly rates for the FY21 audit to be applied if work is required outside of the anticipated scope of work. The proposal shall also contain the total maximum fee to be charged per each of three fiscal years. **See Appendix A.**

Although there are no known reasons for a single audit to be conducted during this time period, the proposal shall show separately the estimated cost of a single audit.

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 proposal. Interim billings shall cover a period of not less than a calendar month. The Town reserves the right to withhold ten percent (10%) from each billing pending delivery of the firm's final reports.

Retention of Working Papers:

The proposal shall state the auditors will retain the audit work papers for a period not less than five years after the date of the audit report, and that the work papers will be made available upon request from the Town Treasurer, Finance Manager, or the Selectboard.

Timing Considerations:

Proposals must be submitted via email by 3:00PM, April 12, 2021 to Deb Jones, Finance Manager at financemgr@sharonvt.net. If you wish to mail your proposal as well, please send it to Sharon Town Offices, c/o Sharon Selectmen, P.O. Box 250, Sharon, VT 05065. Our physical address is 15 School Street (formerly 69 Route 132) in Sharon. All firms will be notified as to the bid award.

A tentative schedule would have the interim audit work starting in mid-July and final field work in October. It is requested that audit reports for each fiscal year be presented at a board meeting on or around the third Monday in November with final written report to be submitted to the Selectboard by December 15th.

For Further Inquiries:

Contact Deborah Jones, Finance Manager at 802-763-8268 ext. 8, or email her at financemgr@sharonvt.net. A copy of the Town's audit for FY2020 is available to proposers upon request. The annual town report is posted online at www.sharonvt.net.

Evaluation Criteria

- Response appropriateness to this RFP.
- Qualifications and relevant experience of personnel and stability and reputation of the firm.
- Suitability of the firm's work plan and audit techniques.
- Estimated cost of engagement.
- Any other criteria the Town deems relevant for evaluating responses.
- The Town of Sharon reserves the right to make a selection among proposers based directly on the proposal, to negotiate further with any proposer, or to reject any and/or all proposals.

The tentative schedule for the Selectboard to consider a response to this RFP is April 19, 2021. Interviews will only be scheduled if necessary and after review of the proposals.

Proposal Requested by the Sharon Selectboard:

Joseph Ronan, Chair

Kevin Gish, Vice-Chair

Mary Gavin, Clerk

APPENDIX A

PROPOSAL FOR AUDITING SERVICES DUE BY 3PM APRIL 12, 2021

Submit proposal to Deb Jones via email financemgr@sharonvt.net. Phone 802.763.8268x8

Name of firm _____

Contact Person _____

Location of office staffing the audit _____

Office Phone _____ Contact Person's Phone _____

Email _____ Firm's Website _____

Hours proposed for first fiscal year in stated fees:

Partner-in-charge and review partner _____

Supervising manager _____

Audit Staff _____

Include a rate chart for each category of staff member assigned to the audit with a projected rate for the first year's audit work and any likely billable expenses if work is performed outside of the requested scope of work.

Audit Fees for Year 1

Total all-inclusive maximum price (excluding single audit estimate) \$_____

Estimated cost of single audit \$_____

Audit Fees for Year 2

Total all-inclusive maximum price (excluding single audit estimate) \$_____

Estimated cost of single audit \$_____

Audit Fees for Year 3

Total all-inclusive maximum price (excluding single audit estimate) \$_____

Estimated cost of single audit \$_____
