

REQUEST FOR PROPOSAL

AUDIT SERVICES

REQUEST FOR AUDIT SERVICES PROPOSAL

The Polk County Library is issuing this request for proposal (RFP) for the financial audit of the library's financial statements. The contact person regarding this RFP is Colleen Knight, Polk County Library Director. The deadline for response is January 8th, 2019 at 5:00 pm. Any proposal received after this date will not be considered. We are requesting 2 copies of your proposal in a sealed envelope. The envelope should clearly indicate it is a proposal for audit services. The audit period under contract is for fiscal year ended December 31, 2018. It is the intention of the library to continue its relationship with the auditor for no less than three (3) years after the original audit. For a complete RFP, please call Colleen Knight at 417-326-4531 or email at cknight@polkcolibrary.org or visit the library's website: www.polkcolibrary.org

AUDITING STANDARDS

The audit work must be performed in accordance with generally accepted auditing standards as established by the American Institute of Certified Public Accountants as applicable to governmental units.

DESCRIPTION OF POLK COUNTY LIBRARY

The Polk County Library serves a population of 31,794. The library is governed by a five member appointed Board of Trustees who are residents of the Polk County, MO. The primary source of funding is a \$.2413 per mil county property tax. The library is solely responsible for managing the money that comes from this tax. The library's expected income for 2018 is \$817,311.

MANDATORY QUALIFICATIONS OF THE AUDITOR

The following information must be affirmed in the proposal response.

1. The proposer is properly licensed for public practice in Missouri as a Certified Public Accountant.
2. The proposer meets the independence requirements of the Standards for Audit of Governmental Organizations, Programs, Activities and Functions published by the U.S. General Accounting Office.
3. The proposer does not have a record of substandard audit work. Please disclose the controls your firm has in place to ensure quality standards have been met. Also, disclose whether your firm is subject to an external quality control review process.

MONITORING

To ensure the quality of the audit, the library may request, from time to time, a report on the progress of the audit. In addition, prior to completion of the field work, an audit exit interview will be held to discuss preliminary results.

TIME REQUIREMENTS

The library shall receive all proposals by January 8th, 2019 at 5:00 pm. Evaluation of each proposal will be made as soon as possible with the award contingent upon approval of the Polk County Library Board. The library may elect to interview representatives from selected firms. We anticipate the successful bidder will be notified by January 20, 2019.

WORKING PAPERS

The working papers shall be retained for at least five years. The working papers will be available for examination by authorized representatives of the State of Missouri, and, if required, by the cognizant federal audit agency and the General Accounting Office.

RIGHT TO REJECT

The library reserves the right to reject any and all proposals submitted and to request additional information from all proposers. Any contract awarded will be made to the independent auditor who, based on evaluation of all responses, applying all criteria and oral interviews if necessary, is determined to be the best qualified to do the audit.

REQUIREMENTS

The audit of Fiscal Year 2018 must be complete and final reports rendered by May 1, 2019. Results will be presented to the Library Board of Trustees on May 21, 2019. Thereafter, audits must be complete and final reports rendered no later than five (5) months after the fiscal year end.

A preliminary draft of the audit and required journal entries must be submitted to the director for proofing and reconciliation to the Library's records. The auditor shall be available to present the preliminary draft of the audit to the director and shall present the final audit report to the Library Board. The auditor shall furnish the Library 7 physical copies and one (1) PDF copy of all required reports. In addition, the auditor shall furnish the requested number of copies to each federal and state agency, as applicable.

The auditor will be available to answer reasonable questions that may arise on financial matters without additional cost to the Library during the course of the year. The auditor shall include all costs associated with implementing and assisting the Library with any new accounting principle required by the GASB, GAAP, or SAS.

REPORTS TO BE ISSUED

Following the completion of the audit of the fiscal year's financial statements, the auditor shall issue a report on the fair presentation of the general-purpose financial statements in conformity with generally accepted accounting principles.

The auditor shall prepare the following reports at the completion of the audit:

1. A Comprehensive Annual Financial Report on the examination of financial statements of the Library including all funds and account groups. The auditor will put into appropriate format all financial statements and notes to the financial statements.

2. A report on the financial statements, internal control and compliance in accordance with audit guide and standards for compliance with the Single Audit Act, as may be required.
3. Any supplemental reports, schedules or other required by the State of Missouri, Federal Government, GASB, GAAP, and/or SAS.
4. A management report containing comments and recommendations regarding the Library's system of internal controls: that is, its methods of safeguarding its assets, insuring the accuracy of its financial information, promoting efficiency and adhering to municipal policies. This letter should contain comments and recommendations for controlling any internal weaknesses discovered and shall be reviewed by the Library Director before finalizing.

CONTRACTUAL ARRANGEMENTS

Invoices for service will be paid when received. The total amount to be invoiced shall not exceed the amount of the bid unless other arrangements have been negotiated with the Library first. The Library reserves the right to terminate the contract for audit at any time.

METHOD OF EVALUATING PROPOSALS

Proposals will be evaluated with a strict emphasis on quality. Attributes which will be analyzed include:

Evaluation Worksheet

1. Number of libraries or similar governmental entities audited by office of CPA firm proposing.
2. Firm governmental resources available.
3. Involvement in governmental activity and organizations.
4. Training of personnel in governmental auditing.
5. Quality of staff included in assignment.
6. Reference responses.
7. Internal quality control procedures and external quality control review.

After technical qualities have been evaluated, cost and other considerations will be evaluated. The proposing audit firm should indicate the cost of the audit, and estimated costs for yearly audits succeeding the first year audit. Once all factors have been evaluated, the audit firm who is most qualified and reasonable in cost will be selected.

FORMAT OF THE RFP RESPONSE

It is suggested the RFP response be formatted as follows:

Title Page

The response should identify the RFP subject and the name of the independent auditor, local address, telephone number, name and title of contact person and date of submission. The period which the proposal is effective should also be disclosed.

Table of Contents

The table of contents of the proposal should include a clear and completed identification of the materials submitted by section and page number.

Letter of Transmittal

The letter of transmittal should contain the following information: • A brief understanding of the audit service to be performed • A positive commitment to perform the service timely. • The names of persons authorized to represent the proposer, their title, address and telephone number. This may be important if different from the individual who signs the transmittal letter.

Profile of the Firm

The proposers are requested to provide a profile of general background information. This should include:

1. The organization and size of the proposer, whether it is local, regional, national or international in operations.
2. The location of the office from which the work is to be done and the number of professional staff by staff level employed at that office.
3. A description of the range of activities performed by the local office such as auditing, accounting, tax service or management services.
4. A positive statement that the following mandatory criteria are satisfied:
 - a. An affirmation that the proposer is properly licensed for practice as a certified public accountant.
 - b. An affirmation that the proposer meets the independence requirements of the Standards for Audit of Governmental Organizations, Programs, Activities and Function, published by the U.S. General Accounting Office.
 - c. An affirmation that the proposer does not have a record of substandard work.

Summary of the Proposer's Qualifications

1. Identify the audit managers, field supervisors, and other staff who will work on the audit, including staff from other than the local office. Resumes including relevant experience and continuing education for auditor in-charge up to the individual with final responsibility for the engagement should be included. (The resumes may be included as an appendix.)
2. Describe the recent local and regional office auditing experience similar to the type of audit requested and give the names and telephone numbers of client officials responsible for three of the audits listed.

3. Other auditors who are participating in the audit are also required to provide similar information.

Proposer's Approach to the Examination

Submit a work plan to accomplish the scope of the audit. The work plan should include time estimates for each significant segment of the work and the staff level to be assigned. Where possible, individual staff members should be named and their titles provided. The planned use of specialists should be specified.

TIME REQUIREMENTS

If not already adequately covered in the letter of transmittal, the response should detail information on when the audit firm plans to deliver the final reports.

COMPENSATION

Provide a not-to-exceed cost of services being offered for the first year of the engagement and the range or average cost per hour of audit services.

ADDITIONAL DATA

Provide any additional data the proposer feels may be helpful in the selection process.