

**REQUEST FOR PROPOSALS
AUDIT SERVICES
TOWN OF WESTFORD, VERMONT**

INTRODUCTION

The Town of Westford, Vermont, is requesting proposals from qualified firms of Certified Public Accountants to audit its financial statements:

- Three-year proposal for the fiscal years ending June 30, 2021; June 30, 2022; and June 30, 2023.

Proposals are to be submitted by 1:00 PM on Friday, June 25, 2021 to:

Nanette Rogers, Town Administrator
Town of Westford
1713 Route 128
Westford, VT 05494

The Town of Westford reserves the right to reject any or all proposals submitted. Proposals will be evaluated by the Town based on technical qualifications and price. During the evaluation process, the Town reserves the right, where it may serve in the Town's best interest, to request additional information or clarification from proposers. The Town reserves the right to request firms submitting proposals to make oral presentations as part of the evaluation process.

Please direct all questions regarding this request for proposals to Greg Barrows, Treasurer, at 802-878-4587 or email treasurer@westfordvt.us.

NATURE OF SERVICES REQUIRED

The Town of Westford, Vermont, desires the auditor to express an opinion on the fair presentation of its general purpose financial statements in conformity with generally accepted accounting principles, with the exception of the fixed asset account. The Town also desires the auditor to express an opinion on the fair presentation of the combining and individual fund financial statements and schedules in conformity with generally accepted accounting principles.

The audit shall be performed in accordance with generally accepted auditing standards as set forth by the American Institute of Certified Public Accountants; the standards for financial audits set forth in the U.S. General Accounting Office's *Government Auditing Standards*; the provisions of the Single Audit Act of 1984 and the Single Audit Act Amendments of 1996 (when applicable); and the provisions of the U.S. Office of Management and Budget (OMB) Circular, A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

The possibility exists that the Town may spend in excess of \$750,000 in federal awards and may require an audit in accordance with the Single Audit Act of 1984.

It is expected that in determining the extent of test procedures, full consideration will be given to the apparent effectiveness of the system on internal accounting controls. The feasibility of recommendations for improvements in the accounting system and internal controls will be discussed during the course of the engagement. In the required report on internal control, the auditor shall communicate any reportable conditions found during the audit. Reportable conditions that are also material weaknesses shall be identified as such in the

report. Non-reportable conditions discovered by the auditors shall also be reported in a separate management letter, which shall include all instances of noncompliance.

The auditor will print, bind and submit five (5) copies of the audit report to the Town, one (1) unbound copy, and one (1) digital copy. Additional copies of the report shall be submitted to the federal cognizant audit agency and any agencies of the State of Vermont, as required.

At the conclusion of the audit, the auditor will meet with the Selectboard to discuss the results of the audit and explain any findings that are included in the auditor's management letter.

The audit will need to be completed with audit copies noted above to the Westford Selectboard by November 1, of each year. The audit firm must be available to present the audit report to the Selectboard in November or December. Exact date to be determined.

All working papers and reports shall be retained for a minimum of three years, unless the firm is notified in writing by the Town of the need to extend the retention period.

DESCRIPTION OF THE GOVERNMENT

The Town of Westford has a population of 2,029 (according to 2010 U.S. Census data). The Town provides the following services to its citizens:

- Westford is a member of the Essex Westford School District
- Public Library
- Recreation Department
- Town Trails
- Town Common, with public activities
- Planning & Zoning

For FY21, The Town has budgeted for a total payroll of \$413,909 covering 5 full-time and 6 part-time or seasonal employees, including both elected and appointed positions. These numbers do not include listers, the delinquent tax collector or stipends for the Selectboard, Board of Civil Authority, Planning Commission, Development Review Board, Dog Warden, Cemetery Commission, and Town Auditors. The Town approved an FY21 expense budget of \$2,021,365. The Town uses the following fund types in its financial reporting:

- General Fund
- Town Common Fund
- Municipal Records Reserve Fund
- Highway Department Funds (for grants, FEMA funding and reimbursements from the school district)
- Capital Projects Funds ("Equipment Reserve Fund")

Town staff will perform pre-audit work and will have year-end schedules completed, as needed. The most recent Town Report can be found online at: <http://westfordvt.us/annual-town-reports/>.

The Town prepares its financial statements using the modified cash basis of accounting which is a basis of accounting other than accounting principles generally accepted in the United States of America.

PROPOSAL REQUIREMENTS

Interested firms shall submit its proposal separated into two sections: the **technical proposal** and the **cost proposal**.

The purpose of the technical proposal is to demonstrate the qualifications, competence and capacity of the firms seeking to undertake the audit of the Town of Westford in conformity with the requirements of this request for proposals. The technical proposal should demonstrate the qualifications of the firm and of the particular staff to be assigned to this engagement. It should also specify an audit approach that will meet the request for proposals requirements. The technical proposal shall provide the necessary information:

- Background of the firm. The proposer should state the size of the firm, the size of the firm's governmental auditing staff, and the number and nature of the professional staff to be employed in this engagement. The firm is also required to submit a copy of the report on its most recent quality control review, along with a statement of whether that quality control review included a review of specific government engagements.
- Partner, supervisory and staff qualifications and experience. The proposer should identify the principal supervisory and management staff who would be assigned to the engagement and disclose each person's government auditing experience.
- Similar engagements with other government entities. The proposal shall describe the five most significant engagements performed in the last five years that are similar to the engagement described in this request for proposals. Indicate the scope of the work and the name and telephone number of the client contact.
- Specific audit approach. The proposal should set forth a plan of implementation, including an explanation of the audit methodology to be followed. The work plan should include a description of tasks, estimates of work effort, time budgets, and a detailed breakdown of responsibilities of all audit personnel.

The cost proposal should be structured as follows:

- Total all-inclusive maximum price for the engagement for each of the three years ending June 30, 2021, 2022 and 2023.
- Out-of-pocket expenses should be included in the total all-inclusive maximum price and reimbursement rates.

EVALUATION CRITERIA

The audit firm will be selected based on two criteria: technical qualifications and price. The technical qualifications will compare each proposer's expertise and experience in providing quality audit services to government entities and the quality of the firm's professional personnel who would conduct the audit. The approach of the audit and the plan for implementation will also be scrutinized. Cost will not be the primary factor in the selection of the audit firm.