



## **Town of Enfield**

Office of the Town Manager  
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Enfield, New Hampshire 03748  
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**September 25, 2019**

## **REQUEST FOR PROPOSALS (RFP) AUDIT SERVICES**

The Town of Enfield is accepting proposals from qualified independent Certified Public Accountants to perform municipal financial audits and prepare financial statements in accordance with generally accepted auditing standards (the standards set forth for financial audits in the General Accounting Office's (GAO) Government Auditing Standards, the provisions of the federal Single Audit Act of 1984 and US Office of Management and Budget (OMB) Circular A-128 Audits of State and Local Governments), for each of the three fiscal years ending December 31, 2019 through December 31, 2021, according to the requirements in this RFP.

### **GENERAL INFORMATION**

The Town of Enfield is a municipality of the State of New Hampshire. The Town serves an area of 43.1 square miles with a population of approximately 5,000. A three-member Board of Selectmen, with a full-time Town Manager, governs the Town.

The Town's fiscal year runs from January 1 to December 31, with a budgetary appropriation of \$7,474,904 for 2019, and a current work force of 31 full-time employees and 10 part time employees (excluding seasonal and EMT/firefighters).

The most recent audit of the Town of Enfield was performed in 2019 for the period of January 1, 2018 to December 31, 2018.

A copy of the Annual Report, which includes the completed audit for the year ended December 31, 2017, is available on line at <https://www.enfield.nh.us/board-selectmen/pages/annual-reports>.

There is no expressed or implied obligation for the Town of Enfield to reimburse responding firms for any expenses incurred in preparing proposals in response to this request.

#### **1. Name and Address of Town:**

Town of Enfield  
23 Main Street  
PO Box 373  
Enfield, NH 03748

2. Individual to whom questions concerning this request should be directed:

Ryan Aylesworth, Town Manager  
Town of Enfield  
23 Main Street  
PO Box 373  
Enfield, NH 03748

Phone - 603-632-5026 x 5405

E-mail – [raylesworth@enfield.nh.us](mailto:raylesworth@enfield.nh.us)

3. Proposals (3 copies) shall be addressed to the Town of Enfield at the above address, bearing on the outside the name of the proposer and clearly captioned "Proposal for Audit Services". Proposals will become part of the Town's files without obligation on the Town's part.

## **COMPUTER SYSTEM**

The Town utilizes the following software for the specified applications:

- Accufund: Accounts Payable, Fund Accounting, Payroll, Bank Reconciliation, Budget Development, Purchase Orders, Cash Receipts, General Ledger
- Interware: Motor Vehicle Registration, Animal Licensing and other Town Clerk functions
- Avitar: Tax Collection, Water & Sewer Billing, Betterment Assessment Billing
- NH MAPS: Welfare Tracking & Processing
- Fixed Assets: Microsoft Excel

## **PERIODS TO BE AUDITED**

The Town operates on a calendar year basis. The first year to be audited will be the calendar year ending December 31, 2019. The Town is interested in a multi-year proposal which would also include the calendar years ending December 31, 2020 and 2021.

## **PERFORMANCE SPECIFICATIONS**

1. The auditor shall conduct the examination in accordance with generally accepted government auditing standards (GAGAS) and procedures applicable to governmental units, as prescribed in the following documents:
  - AICPA, Statements on Auditing Standards and Audits of State and Local Government Units;
  - General Accounting Office, Standards for Audit of Governmental Organizations, Programs, Activities and Functions;
  - Governmental Accounting, Auditing, and Financial Reporting (GAAFR);
  - Governmental Generally Accepted Accounting Principles (GAAP);
  - Governmental Accounting Standards Board Series (GASB); and
  - Provisions of the Federal Single Audit Act Amendments of 1996, and Inspector General Act of 1978, as amended (if applicable).

2. The audit shall be a financial and compliance review of the following accounts. The following list is not all-inclusive.
  - a) Major Governmental Funds:
    - General Fund
    - Water Fund
    - Sewer Fund
    - Grant Fund
    - Capital Project Fund
    - TIF District Fund
  - a) Non-Major Governmental Funds
    - Special Revenue Funds
      1. Recreation Revolving Funds
      2. Town Trusts
      3. Capital Reserve
  - b) Fiduciary Funds (private purpose trusts)
  - c) Agency Funds
3. The Town of Enfield is a Phase III Government and began compliance with GASB34 for fiscal year 2006 by declaring capital assets acquired during the current year. Full compliance was completed for fiscal year ending December 31, 2007.

#### **TYPICAL SCHEDULE FOR THE CALENDAR YEAR AUDIT**

**Entrance conference** - In November the auditor will contact the Town Manager by phone, in person or email to determine the exact date of audit and to discuss any pending issues, changes in laws, rules or regulations that would affect the operation of the Town of Enfield. The auditor shall provide the Town of Enfield a detailed audit plan and a list of all schedules to be prepared by the Town of Enfield by December 15<sup>th</sup>.

**Field Work** - The Town of Enfield will have requested records ready for audit no later than the end of the first full week of February each year. It is expected that fieldwork will begin no later than the second full week of February. The Town staff shall render assistance to the auditor and shall respond to requests for information; provide all necessary books and records; provide any account analysis worksheets, computer report (s) on all activity on requested accounts. The Town will provide the auditor with a separate room, tables and chairs for the conduct of the audit. The auditor will be provided with access to telephone lines and photocopying facilities. The Town will assume all photocopy costs performed at Town Hall for the Town's audit.

**Progress conference** with the Town Manager shall be held at approximately the mid point of fieldwork. The purpose of this meeting will be to summarize the results of the field work completed to date and to review significant findings.

**Exit Conference** with Town Manager shall be held at the end of fieldwork. The purpose of this meeting will be to summarize the results of the fieldwork and to review significant findings.

**Draft Reports** - It is expected that the auditor shall complete fieldwork within four weeks of beginning fieldwork, or as agreed upon. The auditor shall have drafts of the audit report(s) and draft recommendations to management available for review by the Town Manager by the end of the first full week in April.

**Final Report** - The Town Manager shall complete review of the draft as expeditiously as possible. With the auditor's assistance, the Town Manager shall complete the Management's Discussion & Analysis. It is expected that this process should take no more than four weeks. During that period, the auditor should be available for any meetings that may be necessary to discuss the audit reports. Once all issues for discussion are resolved and the MD&A is completed and submitted to the auditor, the final signed report shall be delivered to the Town Manager. It is anticipated that this process will be completed and the final report delivered by June 15.

Six (6) signed copies of the final reports and 1 PDF file shall be delivered to: Town Manager, 23 Main St, PO Box 373, Enfield NH 03748

## **REPORTS TO BE ISSUED**

1. A letter report on the fair presentation of the financial status of all Town Funds in conformity with generally accepted accounting principles including GASB 34 requirements.
2. A Single Audit report on the schedule of federal financial assistance for the each calendar year
3. A final, unqualified auditor's report, or if qualified, specify why, and General Purposes Financial Statements with supporting schedules including:
  - A report on the internal control structure (as required by the Single Audit Act as revised and Governmental Auditing Standards) based on the auditor's understanding of the control structure (including federal financial assistance programs, if necessary) and assessment of control risk;
  - A report on compliance with applicable laws, regulations and internal practices and areas for strengthening internal controls and operating efficiencies.
  - The auditor shall communicate to management any reportable condition (defined as a significant deficiency in the design or operation of the internal control structure) found during the audit.
4. Reports of Management Letter

## **SCOPE OF SERVICES**

1. The Town of Enfield desires the auditor to audit its financial records, prepare financial statements, including the balance sheets of the Town's various fund types and account groups and the related statements of revenues, expenditures and changes in fund balance for the year ended, and shall include tests of the accounting records of the Town. Procedures will include tests of documentary evidence supporting the transactions recorded in the accounts and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected customers, creditors and banks. The auditor shall express an opinion on the fair presentation of the financial statements in conformity with generally accepted accounting. The auditor shall review the system of internal control and provide recommendations in the form of a management letter.

2. If required, the auditor shall perform the audit and prepare reports pertaining to the Single Audit Act Amendments of 1996 and OMB Circular A-133.
3. The auditor will be required to provide ongoing consultation for compliance with GASB 34.
4. The auditor shall complete the state required MS-5 report for submission to the New Hampshire Department of Revenue Administration-Municipal Services Division no later than April 1<sup>st</sup>.
5. The working papers shall be retained for at least seven (7) years and shall be available for examination by authorized representatives upon written request from the Town of Enfield .
6. The firm shall respond to the reasonable inquiries of successor auditors and allow successor auditors to review working papers relating to matters of continuing accounting significance.
7. The auditor shall provide the Town Manager with the basic governmental fund financial statements and other supplemental schedules that were used to convert to the government-wide financial statements.
8. The auditor shall provide six (6) original paper copies of the financial statements and supplemental schedules. The auditor shall provide one copy of the original audit and reports in PDF format.
9. If requested by the Board of Selectmen and representative of the audit firm shall meet with the Board of Selectmen or Town Manager, to review audit results or to discuss changes in laws, rules, regulations and suggested practices that would affect the operation of the Town of Enfield.
10. The firm shall also be responsible for answering inquiries from the Town Manager and/or Board of Selectmen throughout the year for each of the years covered by the contract.

#### **THE SUCCESSFUL PROPOSER WILL**

1. Meet with Town Manager as appropriate, which may include final report presentation to the Board of Selectmen and follow up meeting with the Town Manager (if necessary) to review audit figures prior to tax rate setting (with DRA);
2. Be available for consultation telephone inquiries from Town staff during the course of the year. (Please specify any limitations);
3. Be properly licensed and certified public accountants in New Hampshire and meet independence standards;
4. Advise and inform through the term of the agreement on questions, practices and procedures for handling various accounting activities; and
5. Advise the Town of any significant changes in governmental accounting procedures, as they become aware of them as they may materially affect the financial statements and accounting procedures.

Any deviations from the above stated requirements must be so noted and any prices must be reflective of these changes.

## **TOWN 'S RESPONSIBILITIES**

1. Have the year closed, balanced and ready for audit by January 30th annually and as agreed to by both parties;
2. Provide reasonable cooperation and information to conduct the audit;
3. Provide a location for auditors to work while performing the audit;
4. Authorize the firm to report immediately all findings of suspected fraud and/or embezzlement to the City.
5. Provide copies of the prior year's financial statements and budgets; and
6. Provide detail listings of all assets, liability, fund balances and expense accounts as requested.

## **INSTRUCTIONS REGARDING PROPOSAL**

Six (6) copies of your sealed proposal will be accepted by Ryan Aylesworth, Town Manager, PO Box 373, Enfield, NH, 03748 until 12:00 PM, Friday, November 1, 2019 to be opened immediately following in the Town Office conference room.

Proposals must include:

1. Qualifications of the Firm
  - a) A description of your firm and its relevant prior experience.
  - b) List of any experience with the GFOA Certificate of Achievement for Excellence in Financial Reporting.
  - c) List references pertaining to the audit of government agencies and/or municipalities.
  - d) A resume of the partner (s) and manager (s) to be assigned to this engagement.
  - e) List of the audit personnel with resumes.
  - f) An affirmative statement should be included indicating that the firm and all assigned key professional staff are properly licensed to practice in New Hampshire.
2. Technical Approach
  - a) A tentative schedule for performing the key phases of the audit.
  - b) A brief description of the audit procedures to be followed, presented in a form which shall best aid the Town in evaluating your firm's ability to identify, evaluate, and communicate on local government financial problems.
3. Fees. The sealed dollar cost bid shall include the following information:
  - a) Name of firm
  - b) Certification that the person signing the proposal is entitled to represent the firm, empowered to submit the bid, and authorized to sign a contract with the Town of Enfield.
  - c) An all-inclusive maximum price for each of the three (3) years of the engagement and each of two, one-year extensions, and a total maximum price.
  - d) A separate the cost for Single Audit Act.
  - e) Hourly rates for each partner, specialist, supervisory and staff level personnel assigned to the engagement, the anticipated number of hours for each and the extended price for each.
4. Manner of payment -Ten (10) percent may be withheld from each billing pending delivery of the firm's final reports.

(The sealed dollar cost bid shall also include a schedule for professional fees and expenses that supports the total all-inclusive price for each of the three (3) years and each of the two, one-year extensions).

5. Specifically note any exceptions to the Request for Proposal (RFP) of the service to be provided by the firm, and/or any service to be provided by the firm not mentioned in the RFP;
6. Insurance Requirements: The firm awarded the contract shall maintain, at their own expense, during the life of the contract, insurance against professional liability in the amount of \$1,000,000. The firm shall also maintain at their own expense, during the life of the contract, the statutory Workers Compensation and Employer's Liability Insurance for all its employees engaged in work for this contract.

## **EVALUATION PROCEDURES**

The Town shall evaluate the proposals on the basis of the qualifications, relevant expertise and experience, the audit approach, references, and responsiveness of the proposals, as well as the maximum fee for the engagement.

The Town reserves the right to negotiate with the individual firms and to request additional information. The Town reserves the right without prejudice to reject any and all proposals submitted.

Submission of a proposal indicates acceptance by the firm of the conditions contained in this request for proposals unless clearly and specifically noted in the proposal submitted and confirmed in the contract between the Town of Enfield and the firm selected.

## **AWARD OF CONTRACT**

The Town Manager will select a firm based on the evaluation process.

The Town, through its Town Manager, reserves the right to reject any or all proposals and to request additional information or clarifications from proposers. At the discretion of the Town, firms submitting proposals may be requested to make oral presentations/interviews as part of the evaluation process at no cost to the Town.

This institution is an equal opportunity provider and employer.