



Town of Bowdoinham

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www.bowdoinham.com

Nicole Briand, Town Manager

REQUEST FOR PROPOSALS

ANNUAL AUDIT PROPOSALS FOR THE TOWN OF BOWDOINHAM, MAINE

SECTION 1. GENERAL

The Town of Bowdoinham is requesting proposals from qualified firms of certified accountants for auditing and related services for a three-year period, beginning with the fiscal year ending June 30, 2024.

The annual audit is to be in accordance with auditing standards generally accepted in the United States of America, Government Auditing Standards issued by the Comptroller General of the United States, and the State of Maine Department of Audit and Title 30-A M.R.S.A § 5823. For purpose of rendering an auditor's opinion regarding the fairness of applicable legal provisions in accordance with generally accepted accounting standards. The Town also requests that the quotes reflect the review and updating of the Town's comprehensive fixed assets listing to be maintained according to GASB # 34 and depreciation calculations on the above-mentioned fixed asset listing for each of the three years indicated. In addition, the quotes should include providing the Town with financial statements as part of each audit, as the Town does not compile its own financial statements.

Two (2) unbound copies of the proposal must be submitted in a sealed envelope clearly marked "AUDITOR RFP BIDS" to the Attn: Town Manager, Town of Bowdoinham, 13 School Street, Bowdoinham, ME 04008 by 9:00am, Wednesday, November 22, 2023. The Town reserves the right to accept or reject any or all proposals.

All inquiries concerning the request for proposals should be addressed to Nicole Briand, Town Manager for the Town of Bowdoinham at townmanager@bowdoinham.com or (207) 666-5531.

SECTION 2. STANDARD CONDITIONS

1. The Bidder shall be responsible for all taxes, fees and permits required of this request for quotes.

2. The Bidder shall serve in the capacity of an independent contractor and shall not be deemed an employee or representative of the Town. The Bidder understands and agrees that he is an Independent Contractor for whom no Federal or State Income Tax will be deducted by the Town, and for whom no retirement benefits, medicare, survivor benefit insurance, group life insurance, vacation and sick leave, worker's compensation, unemployment and similar benefits available to Town employees will accrue. The Bidder further understands that annual information returns as required by the Internal Revenue Code or State of Maine Income Tax Law will be furnished to the Bidder for his Income Tax records.
3. Any bids received after the date and time of opening will be rejected. Time shall be determined as indicated on the clock where bids are received.
4. Unless otherwise stated all bids shall be submitted on the bid form supplied by the Town.
5. The Town reserves the right to reject any or all bids if deemed to be in the best interest of the Town.
6. Fax bids will not be accepted.
7. No bid may be withdrawn for a period of 30 days after the bid opening.
8. The Bidder shall be responsible to provide all labor, materials and equipment necessary to perform the work or supply the material(s) requested in this bid and shall insure a timely completion of the work involved or the material(s) supplied in conformance with generally accepted work standards. All work shall be in conformance with all applicable local, state and federal laws, ordinances, rules and regulations.
9. The Bidder shall be willing to enter into an agreement with the Town.
10. Any and all notebooks, maps, plans, working papers or other work produced in the performance of this contract are the property of the Town.
11. Failure to provide requested information at the time the bid is submitted may result in the bid being rejected.

SECTION 3. BID REQUIREMENTS

Each bid shall contain the following information about the Bidder:

- A. Qualifications of the firm.
- B. Compensation.
- C. Proposed scope of work and timeline.

A. Qualifications of the Firm

The firm must include a summary of its qualifications to perform an audit of a local government. The proposal should include at a minimum:

1. A description of your firm and its relevant prior experience.
2. List of similar work performed or material delivered to include the names, addresses and telephone numbers of people who can be utilized as a reference.
3. Name of partners and/or managers to be assigned to the engagement, and a summary of their qualifications in the field of municipal government audits.
4. A copy of your firms most recent unqualified peer/quality review report.
5. Include a summary of continuing professional education for each member of the audit team and firm personnel responsible for review of the reports and financial statements.

B. Compensation

1. The firm shall provide the cost to complete an audit for each year.
2. The firm shall provide an all-inclusive maximum fee and the rates for partners, specialist supervisory and staff level persons and the anticipated time for each, for which the requested work in Section 5 of this proposal will be done.
3. The audit firm shall not be reimbursed for any travel, per diem, photo copying, telephone bills, or other related expenses of the audit.
4. Payment will be made for preliminary work done and the balance upon completion and acceptance of the audit report.

SECTION 4. SUBMITTING A BID

Two (2) unbound copies of the proposal must be submitted in a sealed envelope clearly marked “AUDITOR RFP BIDS” to the Attn: Town Manager, Town of Bowdoinham, 13 School Street, Bowdoinham, ME 04008 by 9:00am, Wednesday, November 22, 2023. The Town reserves the right to accept or reject any or all proposals. All inquiries concerning the request for proposals should be addressed to Nicole Briand, Town Manager for the Town of Bowdoinham at townmanager@bowdoinham.com or (207) 666-5531.

Final award of the bid is expected to be made by the Select Board in November or December 2023. The Board’s decision shall be final. Bidders are welcome to attend any meeting when the Board discusses the proposals. There may be a need to interview selected firms. Interviews will be arranged by the Town Manager.

SECTION 5. SCOPE OF WORK

The Town will accept quotes from qualified individuals and firms to submit proposals for the performance of an audit of its financial accounts and records covering three fiscal years: 2024, 2025 and 2026, individually, for the purpose of rendering an auditor’s opinion regarding the fairness of applicable legal provisions, in accordance with generally accepted accounting principals and auditing standards.

A. General Information

The Town of Bowdoinham is a municipal corporation of the State of Maine with a Town Meeting/Board of Selectmen/Town Manager form of government. The Town is part of MSAD 75. The principal municipal departments, all of which will be subject to this audit include General Government, Public Works and Maintenance, Solid Waste, Public Safety, Recreation, Public Health and Welfare, Education, Contingency, Debt Service, County Tax and Overlay, TIF and Trust funds. The gross budget for the fiscal year ending June 30, 2023 was \$7,908,163 including Municipal, TIF, Education and County assessments; \$4,179,924 of which was the Education and County assessments. The Town maintains its accounting records on the TRIO software system.

B. Audit Standards

The audit firm shall conduct the examination of the accounts and records of the Town in accordance with generally accepted auditing standards and procedures applicable to governmental units.

C. Audit Scope

The audit firm shall be engaged to conduct an examination of the financial statements, accounts, records and procedures of all departments of the Town, which include state and federal grants received by the Town.

Indicate in your proposal if you agree to meet or exceed the following auditing specifications. Explain any exceptions you have regarding them:

1. The audit shall be conducted to satisfy the requirements of the State of Maine Department of Audit and all other applicable State and Federal laws.
2. In connection with the examination of the financial records, the firm shall review the system of internal control, operating procedures and compliance with the budgetary and legal requirements by the Town. The review of the internal control must include an annual review of the related processing controls within our organization.
3. The firm shall review and test on a random basis the receipts and deposits in those departments that receive and deposit monies to ensure receipts and deposits are being properly processed.
4. The firm shall agree to review the audit program with Town officials prior to the start of the audit, as well as the local government's role and assistance in the audit process.
5. The partner and/or manager in charge of the audit shall be available to attend a public meeting with the Select Board at which the audit report will be discussed. This meeting shall be a part of the proposed fee.

6. The auditing firm shall be required to prepare and submit a management letter to the Town in connection with the audit. The purpose of the letter shall be to make known certain recommendations of the audit firm which, if implemented, would, in the firm's opinion, increase efficiency, improve internal controls and improve financial management policies. No additional compensation shall be paid for the management letter.
7. The partner and/or manager in charge of the audit shall conduct an exit interview with the Town Manager and Deputy Treasurer at the conclusion of the audit.
8. The audit firm is expected to prepare the financial statements and supplementary schedules in accordance with generally accepted accounting principles.
9. The Town views its engagement of an audit firm as an ongoing professional relationship in which the firm is expected to provide consultation services as required for auditing, accounting and other financial management concerns throughout the year without additional charge.

D. Audit and Report Schedules

Indicate in your proposal if you agree to meet the following audit and report schedules. Explain any exceptions you may have regarding them:

1. The firm shall conduct the audits covering operations of the Town during the following periods:
 - a. Fiscal year ending June 30, 2024
 - b. Fiscal year ending June 30, 2025
 - c. Fiscal year ending June 30, 2026

The firm shall submit written reports containing an expression of opinion that the financial statements are fairly stated or, if a qualified or adverse opinion or disclaimer of opinion is necessary, the reasons therefore. The firm shall prepare three (3) bound copies of the completed audit report and one (1) unbound copy for the Town's annual report, and one electronic copy of the completed audit report by December 30th following the year audited.

2. The auditor's reports and financial statements will include at a minimum, the following:
 - a. Independent Auditor's Report on General Purpose Financial Statements
 - b. Combined Balance Sheet
 - c. Combined Statement of Revenues, Expenditures and Changes in Fund Balances – All Governmental Fund Types

- d. Statement of General Fund Revenues, Expenditures and Changes in Fund Balance – Budget and Actual
- e. Statement of Revenues, Expenses, and Changes in Fund Balance – All Proprietary Fund Types and Similar Trust Funds
- f. Statement of Cash Flows – All Proprietary Fund Types and Similar Trust Funds
- g. Notes to Financial Statements
- h. Independent Auditors’ Report on Supplemental Information
 - Combined Balance Sheet and Schedule of Revenues, Expenditures, and Changes in Fund Balances – Special Revenue Funds
 - Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual
 - Schedule of Changes in Fund Balances – Capital Projects
 - Combined Balance Sheet and Schedule of Revenues, Expenditures and Changes in Fund Balances – Trust Funds
 - Schedule of General Fixed Assets
 - Schedule of Valuation, Assessment and Collection of Taxes
- i. Additional Reports
 - Independent Auditors Report on Schedule of Expenditures of Federal Awards
 - Schedule of Expenditures of Federal Awards
 - Notes to Schedule of Expenditures of Federal Awards
 - Independent Auditors Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.
 - All required reports and schedules under the reporting format of GASB # 34
- j. Fraud – if applicable

- k. Management letter

In addition, the firm must prepare and file the State Audit Procedural Form and copy of the auditor's report with the State Department of Audit within thirty (30) days after completion of the audits.

E. Technical Approach

The firm must include a summary of its technical approach to performing a municipal audit. The proposal should include a brief description of the audit procedures to be followed, presented in a form which will enable the Town to evaluate your firm's ability to identify, evaluate and communicate on local government financial problems.

In addition, a tentative schedule for performing the key phases of the audit, including the total number of hours for the engagement, should also be included in your proposal, as well as an express agreement to meet or exceed the performance specifications stated in Section B, C and D, above.

F. Evaluation Procedures

The Town shall evaluate the proposals on the basis of the qualifications, relevant experience and responsiveness of the bidders, as well as the estimated cost of the engagement. Cost will not be the only determining factor for the award of this proposal.

G. Assistance by the Town

The Town staff shall render all feasible assistance to the audit firm and shall respond promptly to the requests for information, provide all necessary books and records and provide physical facilities required by the firm for the expeditious conduct of the engagement.

The Town will also make its records and other financial documents available prior to the end of the fiscal year.

SECTION 6: FURTHER INFORMATION

The Town reserves the right to accept or reject any or all proposals. The Town reserves the right to terminate the engagement after completion of any audit year, upon written notice to the firm. The Town further reserves the right to accept a proposal for the 2024 audit only.

**Town of Bowdoinham, Maine
Audit Proposal**

BID FORM

Name: _____

Address: _____

Telephone: _____

Email address: _____

The following bid is submitted in response to the request for proposals.

Bid amount – 2024: _____

Bid amount – 2025: _____

Bid amount – 2026: _____

Signature: _____

Printed or Typewritten name of above: _____

Date: _____