

**TOWN OF FORT ANN
80 GEORGE ST., PO BOX 314
FORT ANN, NY 12827**

REQUEST FOR PROPOSALS

I. INTRODUCTION

A. General Information: The Town of Fort Ann (the “Town”) is requesting proposals from qualified independent certified public accountants or independent public accountants certified to practice in the State of New York. The Town is seeking fixed -fee proposals for assistance in the preparation of the Annual Update Document (AUD) for the fiscal year ending December 31, 2021, audit the Town’s financial records if deemed necessary for the fiscal year ending December 31, 2021 and to serve as consultants for upcoming financial issues/projects for the fiscal year 2022. Any work performed must be in accordance with generally accepted auditing standards. The following conditions apply to this Request for Proposals (RFP):

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

An appointment and on-site inspection may be scheduled by each proposer interested in submitting a proposal at the Town Hall, 80 George Street, Fort Ann, New York. Each potential proposer is cautioned that an on-site inspection is only intended to afford the proposer an opportunity to better understand the required level of service so the proposer may fully prepare a complete proposal. The on-site inspection is not intended to afford a potential proposer the opportunity to discuss its specific audit approach and/or its qualifications and cost. If conducted, an on-site visit with each potential proposer will be scheduled.

To be considered, THREE copies of a proposal, a master copy (so marked) and TWO copies must be received by the Town Clerk at the Fort Ann Town Hall, 80 George Street, Fort Ann, New York 12827 by 3:00 p.m. Feb. 10, 2022. The Town reserves the right to reject any or all proposals submitted.

During the evaluation process, the Town reserves the right, where it may serve the Town’s best interest, to request additional information or clarification from a proposer, or to allow corrections of non-material errors or omissions or waive non-material requirements. At the discretion of the Town, firms submitting proposals may be requested to make oral presentations as part of the evaluation process. If conducted, oral presentations will be scheduled with each proposer.

The Town reserves the right to retain all proposals submitted and to use any ideas in a proposal regardless of whether that proposal is selected.

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

It is anticipated the selection of a firm will be completed by February 17, 2022. Following notification of the selected firm it is expected a contract will be executed between both parties by February 28, 2022.

The Town reserves the right, as best serves its interest, to change any of the projected dates set forth in this RFP, including, but not limited, to the due date for receipt of proposals.

B. Term of Engagement: A one-year contract is contemplated.

C. Subcontracting. No subcontracting is allowed.

II. NATURE OF SERVICES REQUIRED

A. General: The Town is soliciting the services of qualified independent certified public accountants and independent public accountants to assist in the preparation of the AUD for the fiscal year ending December 31, 2021, and audit the Town's financial records if deemed necessary for the fiscal year ending December 31, 2021. The accountants will also be expected to serve as consultants and provide advice to the Town on any financial issues/projects which arise during the 2022 fiscal year.

B. Scope of Work to be Performed:

The accountants will be provided with all year-end balance sheets, revenue and expenditure accounts and any other documents/records necessary to conduct an audit, review the AUD and prepare the required notes to the financial statement which must accompany the AUD for submission to the New York State Office of the Comptroller by the Town's deadline of April 1, 2022. These documents will be provided to the accountant as soon as possible following the close of the 2021 fiscal year. The accountants will provide advice as requested by the Town regarding issues such as grants received by the Town, including funds received from the American Recovery Act, other Federal grants, as well as state and local grants., tax issues and any other questions regarding financial issues which might arise during the upcoming 2022 fiscal year.

C. Auditing Standards to be followed to meet the requirements of this RFP, the audit shall be performed in accordance with general accepted auditing standards as required by the New York State Office of the State Comptroller.

D. Reports to be Issued

1. For Audits of Financial Statements Prepared in Accordance with Generally Accepted Accounting Principles (GAAP) and Generally Accepted Government Audit

Standards (GAGAS). Following completion of the audit of the Company's fiscal year-end financial statements, where applicable, the auditor shall include:

- a. Independent Auditor's Report
- b. Management Discussion and Analysis
- c. Basic Financial Statements
- d. Required Supplemental Information
- e. Supplemental Information, as required by the Office of the State Comptroller
- f. Report on Compliance and on Internal Control Over Financial Reporting and Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards
- g. Such other things as designated by the Office of the State Comptroller.

E. Other Reports

1. In the required report(s) on internal controls, the auditor shall communicate any reportable conditions found during the audit. A reportable condition shall be defined as a control deficiency, significant deficiency or a material weakness in the design or operation of the internal control structure which could adversely affect the organization's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements.

2. Non-reportable conditions discovered by the auditors shall be verbally reported to management.

3. Irregularities and Illegal Acts. Auditors shall be required to make an immediate, written report of all irregularities and illegal acts or indications of which they become aware to the Town Board.

4. Reporting to the Town Board. Auditors shall ensure that the Company's governing board is informed of each of the following:

- a. The auditor's responsibility under generally accepted auditing standards.
- b. Significant accounting policies.
- c. Management judgments and accounting estimates.

- d. Significant audit adjustments.
- e. Other information in documents containing audited financial statements.
- f. Disagreements with management.
- g. Management consultation with other accountants.
- h. Major issues discussed with management prior to retention.
- i. Difficulties encountered in performing the audit.

F. Working Paper Retention and Access to Working Papers: All working papers and reports must be retained, at the auditor's expense, for a minimum of seven (7) years, unless the firm is notified in writing by the Town of the need to extend the retention period. The auditor is required to make working papers available, upon request, to the following parties or their designees: Supervisor, Town of Fort Ann and Office of the State Comptroller. In addition, 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.

III. TIME REQUIREMENTS

A. Notification and Contract Dates: The selected firm should be notified on or about February 17, 2022, with a Contract date of February 28, 2022.

B. Date Final Report is Due: The report on the financial statements of the Company is due by March 30, 2022. The final report and (7) signed copies should be delivered to the Town Hall.

C. The Town reserves the right, as best serves its interest, to change any of the projected dates set forth in this RFP, including, but not limited to, the due date for receipt of proposals.

IV. PROPOSAL REQUIREMENTS

A. General Requirements

1. Inquiries: Written inquiries concerning the RFP and its subject must be made to: Samuel J. Hall, Supervisor, Town of Fort Ann, 80 George Street, Fort Ann, New York 12827. Responses to all inquiries will be distributed to each potential proposer.

2. On-site Inspections: An on-site inspection of the Company may be arranged for firms interested in submitting proposals. Company's Office staff will be available to discuss their areas of responsibility.

3. Submission of Proposals: The following material is required to be received by February 10, 2022 by 3:00 PM for a proposing firm to be considered.

a. A master copy (so marked) of a Technical Proposal and TWO copies to include the following:

i. Title Page: Title page showing the RFP subject; the firm's name; name, address and telephone number of the contact person; and the proposal date.

ii. Table of Contents

iii. Transmittal Letter: A signed letter of transmittal briefly stating the proposer's understanding of the work to be done, the commitment to perform the work within the time period, a statement why the firm believes it to be best qualified to perform the engagement, and a statement that the proposal is a firm and irrevocable offer.

iv. Detailed Proposal The detailed proposal should follow the order set forth in Section IV, Part B, of this RFP.

b. A master copy (so marked) and TWO copies of a Cost Proposal in a separate sealed envelope marked as follows: SEALED COST PROPOSAL FOR PROFESSIONAL ACCOUNTING SERVICES

c. The completed proposal, consisting of the two separate envelopes, should be sent to the following address: 80 George Street, Fort Ann, New York, 12827.

B. Technical Proposal

1. General Requirements: The purpose of the Technical Proposal is to demonstrate the qualifications, competence and capacity of the firms seeking to undertake those items described in Section II Nature of Services Required of this RFP. As such, the substance of proposals will carry more weight than the form or manner of presentation. 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 RFP requirement. THERE SHOULD BE NO DOLLAR UNITS OR TOTAL COSTS INCLUDED IN THE TECHNICAL PROPOSAL DOCUMENT. The Technical Proposal should address all points outlined in the RFP (excluding any cost information, which should only be included in the Cost Proposal). The Technical Proposal should be prepared simply and economically, providing a straightforward, concise description of the proposer's capabilities to satisfy the RFP requirements. While additional data may be presented, the information in ensuing items 2 through 8 must be included. They represent the criteria against which the Technical Proposal will be evaluated.

2. Independence: The firm should provide an affirmative statement that it is independent of the Town as defined by the standards applicable to financial audits in compliance with Generally Accepted Accounting Principles (GAAP) and Generally Accepted Government Audit Standards (GAGAS).

3. Firm Qualifications and Experience: The proposer should state the size of the firm, the size of its governmental audit staff, the location of the office where this engagement is to be performed, and the number and nature of the professional staff to be employed in this engagement on a full- and part-time basis. The firm is also required to submit a copy of the report on its most recent external quality control review, with a statement of whether that quality control review included a review of specific government engagements. The firm shall also provide information on the results of any federal or state desk review or field reviews of its audits during the past three (3) years. In addition, the firm shall provide information on the circumstances and status of any disciplinary action taken or pending against the firm during the past three (3) years with state regulatory bodies or professional organizations.

4. Partner, Supervisory and Staff Qualifications and Experience: Identify the principal supervisory and management staff, including engagement partners, managers, other supervisors and specialists, who would be assigned to the engagement. Indicate whether each person is registered or licensed to practice as a certified public accountant in New York State. Provide information on the government auditing experience of each person, including relevant continuing professional education for the past three (3) years and membership in professional organizations relevant to the performance of this audit. Provide as much information as possible regarding the number, qualifications, experience and training, including relevant continuing professional education, of the specific staff to be assigned to this engagement. Indicate how the quality of staff over the term of the agreement will be assured. Engagement partners, managers, other supervisory staff and specialists mentioned in response to this RFP may be changed if those personnel leave the firm, are promoted or are assigned to another office. These personnel may also be changed for other reasons with the express prior written permission of the Town. However, in either case, the Town retains the right to approve or reject replacements. Consultants and firm specialists mentioned in response to this RFP can only be changed with the express prior written permission of the Town, which retains the right to approve or reject replacements. Other audit personnel may be changed at the discretion of the proposer provided replacements have substantially the same or better qualifications or experience.

5. Similar Engagements with Other Local Municipalities: For the firm's office that will be assigned responsibility for the audit, list the most significant engagements (maximum of five) performed in the last five years that are similar to the engagement

described in the RFP. Indicate the scope of work, date, engagement partners, total hours, and name and telephone number of the principal client contact.

6. Specific Audit Approach: The Technical Proposal should set forth a work plan, including an explanation of the audit methodology to be followed, to perform the services required in Section II of this RFP. In developing the work plan, reference should be made to such sources of information as the Town's budget, financial records, and related materials, organizational chart, programs, and financial and other management information systems. Each proposer will be required to provide the following information on its audit approach:

a. Proposed segmentation of the engagement.

b. Level of staff and number of hours to be assigned to each proposed segment of the engagement.

c. Sample size and type and extent of testing.

d. Approach to be taken to gain and document an understanding of the Company's internal control structure.

e. Approach to be taken in determining laws and regulations that will be subject to audit test work.

f. Approach to be taken in drawing audit samples for purposes of tests of compliance.

7. Identification of Anticipated Potential Audit Problems: The Technical Proposal should identify and describe any anticipated potential audit problems, the firm's approach to resolving these problems and any special assistance that will be requested from the Town.

8. Report Format: The Technical Proposal should include sample formats for required reports.

C. Sealed Cost Proposal

1. All-Inclusive, Not-to-Exceed (NTE) Price: The Cost Proposal should contain all pricing information relative to performing the audit engagement as described in this RFP. The all-inclusive NTE price to be bid is to contain all direct and indirect costs, including all out-of-pocket expenses. The Town will not be responsible for expenses incurred in preparing and submitting the Technical Proposal or the Cost Proposal. Such costs should not be included in the Cost Proposal. The first page of the Cost Proposal should include the following information:

a. Name of firm.

b. Certification that the person signing the Cost Proposal is entitled to represent the firm, empowered to submit the bid and authorized to sign a contract with the Town.

c. An All-Inclusive NTE Price for the February 28, 2022 engagement.

2. Hourly rates by Partner, Specialist, Supervisory and Staff Level Multiplied by Hours Anticipated for Each

3. Hourly Rates for Additional Professional Services

4. Manner of Payment Periodic payments will be made on the basis of hours of work completed during the course of the engagement and out-of-pocket expenses incurred, up to the NTE price for the engagement. Ten percent (10%) will be withheld from each billing pending delivery of the firm's final reports.

V. SELECTION OF ACCOUNTANT

A. The Town Board will approve a firm based on an evaluation of the proposals. The Town Board reserves the right to enter into negotiations with the proposer offering the next-best value should the Town be unable to negotiate and execute a contract with the awardee.

B. It is anticipated that a firm will be selected by February 17, 2022. Following notification of the firm selected, it is expected a contract will be executed between both parties by February 28, 2022.

C. Right to Reject Proposals Submission of a proposal indicates acceptance by the firm of the conditions contained in this RFP unless clearly and specifically noted in the proposal submitted and confirmed in the contract between the Town Board and the firm selected. The Town Board reserves the right without prejudice to reject any or all proposals.