REQUEST FOR PROPOSALTO PROVIDE AUDIT SERVICES FOR
West Bountiful City, Utah
MAY 7, 2025

I. BACKGROUND INFORMATION

West Bountiful City was incorporated in 1946 and covers approximately 3.2 square miles. The City provides a full range of municipal services: administration, police, parks, golf course, street maintenance, and utility services (water, storm water, sanitation collection).

The City currently has the following fund types: General, Enterprise, Special Revenue, Capital Projects, and RDA: Total government-wide revenue for all funds was $10,819,22 for the fiscal year ended June 2024. West Bountiful City uses Caselle Clarity software for its accounting applications which is supported by PC-based, Windows-compatible computer hardware. The city contracts for accounting services with Ulrich & Associates, PC for assistance throughout the year and in preparing financial statements for an annual audit.

West Bountiful City is required by State law to provide an annual audit of its financial statements by a Certified Public Accountant in accordance with generally accepted auditing standards. This audit must be submitted to the State Auditor's Office within six months after the end of the fiscal year.

II. OBJECTIVE AND SCOPE

A financial audit is requested for the fiscal year ending June 30, 2025. The audit must be performed in accordance with generally accepted auditing standards, as promulgated by the American Institute of Certified Public Accountants (AICPA); the *AICPA Audits of State and Local Governmental Units* audit and accounting guide; and the *Government Auditing Standards*, published by the Government Accountability Office (GAO). The auditor will be involved in drafting, typing, and printing financial statements, or the city may choose to create these reports (see Section E.).

The city does not anticipate a single audit for the fiscal year ending June 30, 2025.

The financial statements and audit must be completed, and the report issued prior to December 1, 2025. The auditor must deliver 10 paper copies and one electronic copy to West Bountiful City, who in turn will be responsible for delivering one copy of the report to the State Auditor's Office and other mandatory or interested parties.

All proposals must be submitted no later than **MAY 22, 2025, 3:00pm**.

III. REPORT REQUIREMENTS

For financial audits, the auditor shall examine the financial statements and records of the entity and shall issue an auditor's opinion on the entity's financial statements with an in-relation-to opinion on combining and supplementary information, if any. Such financial statements shall be prepared in conformity with generally accepted accounting principles.

The auditor shall issue a compliance report based on an audit of general purpose or basic financial statements and a report on the internal control structure; both in accordance with *Government Auditing Standards*.

The auditor shall prepare and include a statement expressing the level of compliance with State fiscal laws identified by the state auditor and other financial issues related to the expenditure of funds received from Federal, State, or local governments.

The auditor shall prepare a comprehensive management letter including the auditor's findings and recommendations relative to the internal accounting and administrative controls, compliance with laws and regulations as applicable and adherence to generally accepted accounting principles.

The auditor shall include the written responses from West Bountiful City for each recommendation included in the state compliance letter and the management letter required by the *State of Utah Legal Compliance Audit Guide*.

Compile annual financial report including basic financial statements, notes to the financial statements, required supplementary information, and supplementary information.

IV AUDIT TERM

If the selected certified public accounting firm performs satisfactorily for the June 30, 2025 audit, it is anticipated that the same firm will be engaged to perform the audit for the succeeding two years, subject to an annual evaluation and West Bountiful City Council appropriation. The term may be extended beyond the total three-year engagement, based on mutual agreement by and between the auditor and West Bountiful City.

V. PROPOSAL QUALIFICATION REQUIREMENTS

Interested certified public accounting firms should include the following information in their proposal to perform the audit of the fiscal year ending June 30, 2025:

A. Profile of the Independent Auditor

The profile of the proposers should provide 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 locations of the office from which the work is to be done and the number of professional staff, by staff level, employed at the office.

3. A statement on the proposer's staff capability to audit computerized systems.

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 in the State of Utah.

   (b) An affirmation that the proposer meets the independence requirements of the American Institute of Certified Public Accountants and the *Government Auditing Standards* published by the Government Accountability Office

(GAO).

(c) An affirmation that the firm meets the continuing education and external quality control review requirements contained in the *Government Auditing Standards* published by the Government Accountability Office (GAO).

B. <u>Proposer's Qualifications</u>

1. Identify the audit partners, 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 the staff auditors up to the individual with final responsibility for the engagement should be included.

2. List and describe the recent municipal auditing experience similar to the type of audit requested.

3. Describe experience working with Caselle accounting software.

C. <u>Proposer's Approach to the Examination</u>

Submit a general audit work plan to accomplish the scope defined in these guidelines. The audit work plan should demonstrate an understanding of the audit requirements and the audit tests and procedures to be applied in completing the audit plan. The plan should detail the expected number of audit hours by staff level. The planned use of specialists should also be specified.

D. <u>Time Requirements</u>

Detail how the reporting deadline requirements of the audit will be met.

E. <u>Fees</u>

Provide a "not-to-exceed" fee for the audit, inclusive of travel, per diem and all other out-of-pocket expenses. As noted in section IV, it is expected that if the selected certified public accounting firm performs satisfactorily for the June 30, 2025 audit, it will be engaged to perform the audit for the succeeding two years. Therefore, the not-to-exceed fee information requested above should be provided on an annual basis for three years.

The proposer is also encouraged to provide a "not-to-exceed" fee under the circumstance of the city creating the annual financial report including basic financial statements, notes to the financial statements, required supplementary information, and supplementary information.

Along with a "not-to-exceed" fee options, the proposer may provide additional fee structure options for consideration.

F. <u>Non-discrimination Clause</u>

Affirm that the firm does not discriminate against any individual because of race, religion, sex, color, age, handicap or national origin, and that these shall not be a factor in consideration for employment, selection of training, promotion, transfer, recruitment, rates of pay, or other forms of compensation, demotion, or separation.

VI. <u>CONTRACTUAL ARRANGEMENTS</u>

A. Audit programs, work papers and reports must be retained for a period of three years after the completion of the audit and made available for inspection by the West Bountiful City or government auditors if requested by them.

B. Payment for the audit will be made upon receipt of the audit reports required in section III.

C. West Bountiful City staff will be available to prepare schedules, trial balances, and provide documentation to assist the auditor as their schedules permit during the course of the audit.

VII. EVALUATION OF PROPOSALS

The following criteria will be considered when making an evaluation of the proposals:

A. Technical Factors

1. Responsiveness of the proposal in clearly stating an understanding of the audit services to be performed.
   (a) Appropriateness and adequacy of proposed procedures.
   (b) Reasonableness of time estimates and total audit hours.
   (c) Appropriateness of assigned staff levels.
2. Technical experience of the firm.
3. Qualifications of staff.
4. Size and structure of firm, considering the scope of the audit.
5. Geographic location of key personnel and responsible office.
6. Municipal client references (please furnish).

B. Cost of the Audit

C. Right to Reject

West Bountiful City 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 certified public accounting firm which, based on evaluation of all responses, applying all criteria and oral interviews, if necessary, is determined to be the best to perform the audit.

VIII. SUBMISSION OF PROPOSALS

The preferred method of submitting your proposal is electronically in PDF format to dhuffman@wbcityut.gov. However, if you choose to submit hard copies, two copies of your proposal must be submitted to Duane Huffman, West Bountiful City Administrator. All proposals must be submitted no later than **MAY 22, 2025, 3:00pm**. No proposal will be considered that is not received at or prior to the above time and date.

IX SOURCES OF INFORMATION

The individual listed below may be contacted for information. However, before making contact we request you review the City's prior year financial and auditor's reports which can be found on the Office of the Utah State Auditor's website.

Duane Huffman, City Administrator
dhuffman@wbcityut.gov
801-292-4486