**REQUEST FOR PROPOSALS**

**TO PROVIDE AUDIT SERVICES FOR**

**SOUTH SALT LAKE VALLEY MOSQUITO ABATEMENT DISTRICT**

**PURPOSE OF REQUEST FOR PROPOSAL**

The purpose of this request for proposal (RFP) is to enter into a contract with a qualified CPA firm (Contractor) to provide services in connection with the performance of an agreed-upon procedures engagement. It is anticipated that this RFP may result in a contract award to a single contractor.

This RFP is designed to provide interested offerors with sufficient basic information to submit proposals meeting minimum requirements but is not intended to limit a proposal's content or exclude any relevant or essential data. Offerors are at liberty and are encouraged to expand upon the specifications to evidence service capability under any agreement.

**BACKGROUND**

South Salt Lake Valley Mosquito Abatement District (The District) was formed in 1952 and currently has the following funds:

Governmental Fund Types

* General Fund
* Capital Projects Fund

Total revenue for all funds was $2.4 million for the year ending December 31, 2019. The District uses QuickBooks software for its accounting applications.

The District is required by state law (Utah Code 51-2a-201) 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 calendar year. The District’s policies require that the audit be bid out every three years with an optional two-year extension or when the current contract expires.

**SUBMITTING YOUR PROPOSAL**

NOTICE: By submitting a proposal in response to this RFP, the offeror is acknowledging that the requirements, scope of work, and evaluation process outlined in the RFP are fair, equitable, not unduly restrictive, understood and agreed to. Any exceptions to the content of the RFP must be protested to the Entity prior to the closing date and time for submission of the proposal.

Proposals must be received by the submission **deadline of October 30, 2020 no later than 3:00 p.m.** MDT. Proposals received after the deadline will be late and ineligible for consideration.

**The preferred method of submitting your proposal is electronically in PDF format to:** [**kdraper@sslvmad.org**](mailto:kdraper@sslvmad.org)**.** However, if you choose to submit a paper copy, one copy will suffice to the District Address below:

Kassie Draper, Board Clerk

7308 Airport Road

West Jordan, UT 84084

kdraper@sslvmad.org

Selection of the contractor will be made by November 12, 2020 and all offerors submitting proposals will be notified as to the selection results.

**LENGTH OF CONTRACT**

The contract resulting from this RFP will cover the annual audit for the year ending December 31, 2020 through December 31, 2022, with an additional two-year extension (not to exceed five years) if the selected certified public accounting firm performs satisfactorily. , subject to an annual performance evaluation, budget appropriations, and the District’s needs.

The Entity reserves the right to review the contract on a regular basis regarding performance, cost analysis, and the District’s needs, and may negotiate price and service elements during the term of the contract.

**SCOPE OF WORK**

Engagement Standards - The CPA firm shall perform an agreed-upon procedures engagement of the District for each fiscal year of the contract period in accordance with the following:

• Attestation standards established by the American Institute of Certified Public Accountants (AICPA) in AT 201 and AT 601.

• *Government Auditing Standards* (GAS), issued by the Comptroller General of the United States.

• The *Guide for Agreed-Upon Procedures Engagements for Local Government Entities and Nonprofit Organizations with Annual Revenues or Expenditures Greater Than $100,000 and Less Than $500,000 (AUP Guide)*, issued by the Office of the Utah State Auditor.

Components of the Audit

1. Online Financial Survey - The CPA firm will be involved in completing the Entity’s Online Financial Survey on the Office of the Utah State Auditor’s online reporting system within 180 days after the Entity’s fiscal year end.
2. Audit – The CPA firm shall apply the agreed-upon procedures outlined in the AUP Guide to the District’s accounting records, online financial survey, and compliance with applicable state laws for each year of the contract period.
3. Audit Report – The CPA firm shall issue an audit report of procedures and findings and should include statements expressing positive or negative assurance of compliance with State fiscal laws and other financial issues related to the expenditure of funds identified in the AUP Guide and in the paragraph above. The report shall include written responses from the District’s officials outlining the District’s planned corrective action for each recommendation.
4. Reporting Deadlines – The auditor will be responsible for preparing and printing the Annual Financial Report. The audit report must be completed no later than May 31st and a draft presented to the Board at the regularly scheduled June Board Meeting and 20 copies of the final audit delivered to the District’s office no later than June 24th. The CPA firm must upload the annual financial report to the Office of the Utah State Auditor’s online reporting system at reporting.auditor.utah.gov within 180 days after the end of each fiscal year of the contract period.

**PROPOSAL REQUIREMENTS**

Interested certified public accounting firms should include the following information in their proposal to perform the audit.

1. Profile of the Independent Auditor

The profile should provide general background information including:

1. The organization and size of the offeror, whether local, regional, national, or international in operations
2. The location 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 offeror’s staff capability to audit computerized systems
4. A positive statement that the following mandatory criteria are satisfied:
   1. An affirmation that the offeror is properly licensed for practice as a certified public accountant in the state of Utah
   2. An affirmation that the offeror meets the independence requirements of the AICPA Rule 101 and the *Government Auditing Standards*
   3. An affirmation that the offeror meets the continuing education requirements contained in the *Government Auditing Standards*.
5. Offeror’s Qualifications
6. Identify the audit partners, audit managers, and field supervisors who will work on the audit, including staff from other than the local office. Resumes should be included which outline relevant experience and continuing professional education for the up to the individual with final responsibility for the audit.
7. Describe the recent local office auditing experience similar to the type of audit requested.
8. If other auditors are to participate in the audit, those auditors should be required to provide similar information.
9. Offeror’s Approach to the Audit

Submit a general audit work plan to accomplish the scope defined in these guidelines. The audit work plan should demonstrate the offeror’s 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 on an annual basis for each year of the contract period. The planned use of specialists, if any, should also be specified.

1. Time Requirements

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

1. Fees

Supply the billing rates, estimated number of billable hours, other billable expenses and 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 December 31, 2020 audit, it will be engaged to perform the audit for the succeeding two years with the option to extend two additional years. Therefore, the not-to-exceed fee information requested above should be provided on an annual basis for **each of the five years of the contract period**.

**CONTRACTUAL ARRANGEMENTS**

1. Document Retention - Audit programs, work papers and reports must be retained for a period of five years after the completion of the audit and made available for inspection by the District or government auditor’s, including the Office of the State Auditor, if requested by them.
2. Compensation for Services – Payment for the audit will be made by the District on an annual basis upon completion of the audit and audit reports received.
3. Availability of District Staff - District staff will be available to prepare schedules, trial balances, and to provide documentation to assist the auditor as their schedules permit during the course of the audit.

**EVALUATION OF PROPOSALS**

Proposals will be evaluated using a predetermined method to ascertain which offeror best meets the needs of the District. In some circumstances, proposals may be so similar in quality that oral interviews may have to be arranged to assist in making the final selection. Evaluation considerations will include the following:

1. Audit Scope

* Appropriateness and adequacy of proposed procedures
* Reasonableness of time estimates and total audit hours
* Appropriateness of assigned staff levels

1. Technical experience of the firm in auditing local governments of similar size and function
2. Expertise of staff
3. Range of Service and Availability
4. Size and structure of firm, considering the scope of the audit
5. Geographic location of key personnel and responsible office
6. Cost of the audit

* Although a significant factor, cost may not be the deciding factor. Cost is particularly important when all other evaluation criteria are relatively equal.

Right to Reject - The District reserves the right to reject any and all proposals submitted and to request additional information from all offerors. Any contract awarded will be made to the independent certified public accounting firm who, based on evaluation of all responses (applying all criteria and oral interviews, if necessary) is determined to be the best to perform the audit.

**ADDITIONAL INFORMATION**

Audit reports and management letters from prior years can be found on the Office of the State Auditor’s website at <https://reporting.auditor.utah.gov/searchreport>. For more information necessary to complete the proposal please contact Brian Hougaard at (801) 255-4651 or [bhougaard@sslvmad.org](mailto:bhougaard@sslvmad.org).