



Town of Bolton
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**REQUEST FOR PROPOSAL
ANNUAL MUNICIPAL AUDITING SERVICES
FISCAL YEAR 2024, OPTION FOR FISCAL YEARS 2025, 2026**

**ISSUE DATE: February 22, 2023
RESPONSE DATE: April 3, 2023**

INTRODUCTION

The Town of Bolton, Vermont, is requesting proposals from qualified firms of Certified Public Accountants to audit its financial statements for the fiscal year ending June 30, 2023, with the option of auditing its financial statements for each of the two subsequent fiscal years.

Two copies of the proposal in sealed envelopes will be accepted by:

Amy Grover
Town of Bolton
3045 Theodore Roosevelt Highway
Bolton, VT 05676

Until 3 p.m. Monday, April 3, 2023. **No electronic submissions will be accepted.**

The Town of Bolton reserves the right to reject any or all proposals submitted. Proposals will be evaluated by the Town based on firm experience and reputation, understanding of Town requirements, and price. During the evaluation process, the Town reserves the right, where it may serve in the Town's best interest, to request additional information or clarification from proposers. At the discretion of the Town, firms submitting proposals may be requested to make oral presentations as part of the evaluation process.

Please direct all questions regarding this request for proposals to Amy Grover, Town Clerk, 802-434-5075 x 222, or clerkbolton@gmavt.net.

NATURE OF SERVICES REQUIRED

The Town of Bolton, Vermont, desires the auditor to express an opinion on the fair presentation of its general purpose financial statements in conformity with generally accepted accounting principles. The Town also desires the auditor to express an opinion on the fair presentation of the combining and individual fund financial statements and schedules in conformity with generally accepted accounting principles.

The audit shall be performed in accordance with generally accepted auditing standards as set forth by the American Institute of Certified Public Accountants; the standards for financial audits set forth in the U.S. General Accounting Office's *Government Auditing Standards*; the provisions of the Single Audit Act of 1984 (when applicable); and the provisions of the U.S. Office of Management and Budget (OMB) Circular A-128, *Audits of State and Local Governments*.

The Town does not anticipate spending in excess of \$750,000 in federal awards and is not expected to require an audit in accordance with the Single Audit Act of 1984.

It is expected that in determining the extent of test procedures, full consideration will be given to the apparent effectiveness of the system on internal accounting controls. The feasibility of recommendations for improvements in the accounting system and internal controls will be discussed during the course of the engagement. In the required report on internal control, the auditor shall communicate any reportable conditions found during the audit. Reportable conditions that are also material weaknesses shall be identified as such in the report. Non-reportable conditions discovered by the auditors shall also be reported in a separate management letter, which shall include all instances of noncompliance.

The auditor will print, bind and submit 7 copies of the audit report to the Town. Additional copies of the report shall be submitted to the federal cognizant audit agency and any agencies of the State of Vermont, as required.

At the conclusion of the audit, the auditor may meet with the Select Board to discuss the results of the audit and explain any findings that are included in the auditor's management letter.

All working papers and reports shall be retained for a minimum of three years, unless the firm is notified in writing by the Town of the need to extend the retention period.

DESCRIPTION OF THE GOVERNMENT

The Town of Bolton has a population of 1,301 as of the 2020 census. The Town provides the following services to its citizens:

Fire (volunteer), highways and streets, planning and zoning, and general administrative services (clerk, treasurer, and valuation).

The Town has a total payroll of \$326,648 covering 5 full-time and 24 part-time, stipend, or seasonal employees. The approved budget for the 22-23 fiscal year is \$1,165,162 for the General Fund. The Town uses the following fund types in its financial reporting:

- Governmental Funds
- Fiduciary Funds

The Town prepares its financial statements using the modified cash basis of accounting for governmental funds. The Town's financial statements are prepared in accordance with Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*.

PROPOSAL REQUIREMENTS

Interested firms shall submit its proposal separated into two sections: the **technical proposal** and the **cost proposal**.

The purpose of the technical proposal is to demonstrate the qualifications, competence and capacity of the firms seeking to undertake the audit of the Town of Bolton in conformity with the requirements of this request for proposals. 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 request for proposals requirements. The technical proposal shall provide the necessary information in the following sequence:

- Background of the firm. The proposer should state the size of the firm, the size of the firm's governmental auditing staff, and the number and nature of the professional staff to be employed in this engagement. The firm is also required to submit a copy of the report on its most recent quality control review, along with a statement of whether that quality control review included a review of specific government engagements.

- Partner, supervisory and staff qualifications and experience. The proposer should identify the principal supervisory and management staff who would be assigned to the engagement and disclose each person's government auditing experience, and familiarity with the NEMRC systems/modules.
- Similar engagements with other government entities. The proposal shall describe the five most significant engagements performed in the last five years that are similar to the engagement described in this request for proposals. Indicate the scope of the work and the name and telephone number of the client contact.
- Specific audit approach. The proposal should set forth a plan of implementation, including an explanation of the audit methodology to be followed. The work plan should include a description of tasks, estimates of work effort, time budgets, and a detailed breakdown of responsibilities of all audit personnel.

The cost proposal should be structured as follows:

- Total all-inclusive maximum price for the engagement for the year ending June 30, 2024, and for each of the two subsequent engagement years for which the Town has the option of continuing in this contract.
- Breakdown of costs by year by partner (principal), supervisory and staff level.
- Out-of-pocket expenses included in the total all-inclusive maximum price and reimbursement rates.
- Progress payments will be made on the basis of hours of work completed during the course of the engagement. Interim billing shall cover a period of not less than a calendar month.

EVALUATION CRITERIA

The audit firm will be selected based on two criteria: technical qualifications and price. The technical qualifications will compare each proposer's expertise and experience in providing quality audit services to government entities and the quality of the firm's professional personnel who would conduct the audit. The approach of the audit and the plan for implementation will also be scrutinized. Cost will not be the primary factor in the selection of the audit firm.