



CITY OF FORT MITCHELL, KENTUCKY

REQUEST FOR PROPOSAL FOR AUDIT SERVICES

NOTICE DATE: August 9, 2019

DUE DATE: August 30, 2019 at 10:00 a.m.

The City of Fort Mitchell is requesting proposals from qualified accounting firms to perform the City's annual audit and possibly prepare Kentucky's Uniform Financial Information Report for the four fiscal years beginning with the fiscal year ending June 30, 2019.

BACKGROUND

The City of Fort Mitchell (hereinafter the City), population 8,600 is located in Kenton County, Kentucky. The City is a Mayor-Council form of government. The City currently has 5 funds (General, Municipal Road Aid, Park Tax, Road Tax and Capital Replacement). The City also has approximately 70 employees and 7 departments (Administrative, Police, Fire, Public Works, Recreation and Park). The City has approximately \$7,000,000 in revenue and spends less than \$500,000 of federal funds. The City Treasurer prepares supporting schedules for the balance sheet accounts and the financial statement notes and makes all year end accrual journal entries. In the past three years there have been no audit adjustments. A copy of the most recent audit of the financial statements is on the City's website at www.fortmitchell.com under financial information.

SCOPE OF SERVICES

The firm will perform an annual audit of the City of Fort Mitchell as follows:

1. In accordance with KRS 91A.040 the auditor shall:
 - a. Audit the financial statements of all governmental and fiduciary funds of the City;
 - b. Prepare all audit information in accordance with generally accepted governmental auditing standards, which includes such tests of the accounting records and such auditing procedures as considered necessary in the circumstances. Where the

audit covers the use of state or federal funds, appropriate state or federal guidelines and program compliance shall be utilized and determined;

- c. Provide the City with 20 bound copies of the audited financial statements.
 - d. Express an overall opinion as to whether the basic financial statements presents fairly the financial position of the City, or state the reasons why an overall opinion cannot be expressed;
 - e. Review compliance and internal accounting controls, outline deficiencies and make recommendations for improvement of controls;
 - f. Present the completed audit and all accompanying documentation to the City legislative body at a regular or special meeting;
2. Special provisions:
- a. Prepare a general audit schedule which outlines anticipated dates for starting the engagement, completing specific components, post audit conference and presentation to the City Council. Fieldwork may commence any time after September 1st but must be completed by the last week of November each year.
 - b. Prepare a list of schedules and any other expectations of the City Treasurer
 - c. Itemize all billings including, but not limited to, the cost of preparing Uniform Financial Information Report, and preparation of the new GASB 68 pension expenses and adjustments, to clearly show hourly rates and other costs.
3. Perform and deliver the audited financial statements by January 22, The City will deduct 5% of the annual fee if the final audit report is more than 10 days late.
4. Should the circumstances disclosed by the audit call for more detailed investigation by the auditor than necessary under ordinary circumstances, the auditor shall inform the City in writing of the need for such additional investigation and the changed agreement shall comply with KRS 91A.040. Any evidence of fraud, such as misappropriation, malfeasance, embezzlement, defalcation or illegal acts shall be immediately reported to the City Attorney, Attorney General and the Auditor of Public Accounts.
5. If required, the audit firm will perform a single audit on the expenditures of federal grants in accordance with OMB Circular A-133 and render the appropriate audit reports.
6. Proposal submissions:
- a. **FIRM INFORMATION:** Include the firm name, size, address of office responding, telephone number, contact person with title, and historic information on establishment including parent company, if applicable. State and/or local

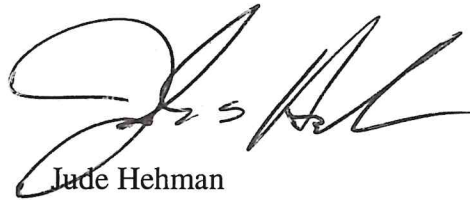
presence in the region, if any, and indicate the office location(s) where the majority of the work will be performed.

- b. **QUALIFICATIONS:** Provide all of the following information: the types of services offered, the firm's in-house capabilities and those services which are typically subcontracted to outside firms; the number of professional CPA's on staff who have worked on municipal government audits of a similar nature.
- c. **EXPERIENCE:** Provide a summary table listing municipal government audits completed by the firm within the last three years and contact information for reference purposes.
- d. **STAFFING:** Provide the names of the key people who would be assigned to the audit. Include a resume in a standard format, providing title, length of time with the firm, previous employment and total years of experience, professional registrations, awards, and a brief summary of related experience.
- e. **QUALITY ASSURANCE AND QUALITY CONTROL PROCEDURES:** Provide a description of the techniques used by the firm to provide quality control and assurance. Also, provide the most current peer review.
- f. **INSURANCE:** Provide proof of General Liability, Professional Liability, Worker's Compensation and, Automobile Insurances
- g. **RESIDENT BIDDER PREFERENCE.** The City of Fort Mitchell follows State Bidder Preference requirements incorporated in KRS 45A.494 for evaluation of bidders. This preference is for businesses located or paying taxes in Kentucky, but only if the State which they operate also gives in state bidder preference. Please see Attachment 1, [Affidavit for Bidders Claiming Resident Bidder Status](#).

Any proposals received after the above deadline may be rejected. The City reserves the right to reject any and all proposals, to request additional information concerning any proposal for purposes of clarification, to grant deadline extensions for documented medical reasons or other legitimate reasons, and to waive the irregularities and informalities in the submittal and evaluation process, to allow an applicant to make corrections to his/her/its proposal, and/or to make changes or additional requirements applicable to this RFP. This RFP does not obligate the City to pay any cost incurred by respondents in the preparation and submission of a proposal. Furthermore, the RFP does not obligate the City to accept or contract for any express or implied services.

All proposals will be evaluated based on cost as well as knowledge of and experience with municipal governmental audits. The City of Fort Mitchell reserves the right to withdraw the contract if the selected firm is not adhering to the audit performance requirements. Questions concerning the proposal should be directed to Amy Guenther, the City Clerk/Treasurer at aguenther@fortmitchell.com or at 859-331-1212

One bound copy of your proposal plus one unbound copy must be delivered sealed to Amy Guenther, City of Fort Mitchell's Clerk/Treasurer, 2355 Dixie Highway, Fort Mitchell, KY 41017 by August 30, 2019, 10:00 a.m. The bids will be opened immediately following the due date and time.

A handwritten signature in black ink, appearing to read 'Jude Hehman', is positioned above the printed name.

Jude Hehman
City of Fort Mitchell Mayor

ATTACHMENT 1
REQUIRED AFFIDAVIT FOR BIDDERS CLAIMING RESIDENT BIDDER STATUS

For Bids and Contracts in General:

The Bidder or Offeror hereby swears and affirms under penalty of perjury that, in accordance with KRS 45A.494(2), the entity bidding is an individual, partnership, association, corporation, or other business entity that, on the date the contract is first advertised or announced as available for bidding:

1. Is authorized to transact business in the Commonwealth of Kentucky;
2. Has for one year prior to and through the date of advertisement –
 - a. Filed Kentucky Corporate Income Taxes;
 - b. Made payment to the Kentucky Unemployment insurance fund established in KRS 341.49; and
 - c. Maintained a Kentucky workers compensation policy in effect.

The City of Fort Mitchell reserves the right to require documentation supporting a bidder's claim of resident bidder status. Failure to provide such documentation upon request shall result in disqualification of bidder or contract termination.

Signature

Printed Name

Title

Date

Company Name _____

Address _____

Phone Number/Fax _____

Subscribed and sworn before me by

Affiant

Title

Notary Public

{Seal of Notary}

My Commission Expires: _____