



Town of Ignacio

P.O. Box 459
540 Goddard Ave
Ignacio, CO 81137

970/563-9494 
townofignacio.com 

TOWN OF IGNACIO
REQUEST FOR PROPOSALS

PROFESSIONAL AUDIT SERVICES

DEADLINE TO SUBMIT:
2:00 PM on November 12, 2024



LEGAL NOTICE

Notice is hereby given that the Town of Ignacio, Colorado calls for sealed bid proposals for:

PROFESSIONAL AUDIT SERVICES

Interested parties may secure a copy of the Request for Proposal (RFP) by downloading from the Town of Ignacio website (townofignacio.colorado.gov/opportunities).

Sealed proposals must be received by the Town of Ignacio at PO Box 459, Ignacio, CO 81137 or in person at 540 Goddard Avenue, Ignacio, CO 81137 no later than 2:00 PM local time on Tuesday, November 12, 2024.

INTRODUCTION

I. NOTICE OF IGNACIO REQUEST FOR PROPOSALS

The Town of Ignacio is requesting proposals from certified public accounting firms to audit its financial statements for the fiscal years December 31, 2024-2026.

Any inquiries or requests regarding this proposal should be submitted to the Town Clerk/Treasurer via email (tdunton@townofignacio.com). Any questions, comments or concerns will be shared with all interested parties to this submittal.

II. DESCRIPTION OF THE GOVERNMENT

A. BACKGROUND

The Town of Ignacio is a statutory Town located in La Plata County and serves a population of approximately 800 residents. The Town operates under a Council-Manager form of government and has an elected Mayor and six-member board.

The Town provides the following services: public safety, municipal court, building and code enforcement, public works, parks, general government, planning and zoning. The Town also owns and operates enterprise activities which provide the following service: water, sewer, gas and irrigation. The total annual budget for the Town is approximately \$3 million.

The Town uses financial software by Black Mountain Software, Inc. The modules include budget preparation, accounting, utility billing, cash receipts and payroll.

B. FISCAL YEAR

The Town of Ignacio's fiscal year begins on January 1 and ends on December 31.

C. FUND STRUCTURE

The Town of Ignacio uses the following fund types and account groups in its financial reporting:

	<u>Number of Funds</u>
General Fund	1
Enterprise Funds	4
Capital Improvement Fund	1
Economic Development Fund	1
Conservation Trust Fund	1

Additional information may be found in the annual budget and audited financial statements, which are available on the Town's website.

III. NATURE OF SERVICES REQUIRED

A. SCOPE OF WORK

The Town is soliciting a certified public accounting firm to audit its financial statements and to express an opinion on the fair presentation of its financial statements in conformity with generally accepted accounting principals. The audit is to be performed in accordance with generally accepted auditing standards set forth for financial audits by the U.S. Comptroller General, "Government Auditing Standards," and the US Office of Management and Budget (OMB) Circular A-133, Audits of State and Local Governments.

The audit shall cover all of the Town's funds, and any component or related entities which may exist at the time of the audit.

As part of performing the audit for the Town, it is expected that the audit manager, partner or other qualified staff will be available as necessary during the year at no additional charge for advice and discussion of accounting, taxation, standards, interpretation, and internal control matters concerning the Town.

B. REPORTING REQUIREMENTS

Following the completion of the audit of the fiscal year's financial statements, the auditor shall issue:

1. A report of examination of the financial statements stating the scope of the examination and that the audit was performed in accordance with generally accepted auditing standards. It must include an opinion as to whether the statements conform to generally accepted accounting principles. A signed copy of the opinion plus a signed electronic copy will be required by the Town.
2. A letter to management containing comments on compliance, recommendations for improvements, and any other comments deemed pertinent by the auditors and recommendations affecting the financial statements, internal control, accounting, accounting systems, legality of actions, other instances of noncompliance with laws and regulations, and any other material matters. An agreed upon number of copies of the management letter will be provided to the Town in addition to an electronic copy.
3. The firm will formally present the audit to the Town Board during the regularly scheduled meeting on the second Monday of July.

C. TIME SCHEDULE

The audit must be completed and the auditor's opinion must be dated June 15th or earlier. An approximate time schedule for the audit engagement is as follows:

Post-closing fieldwork may begin at the beginning of April (possibly earlier) and must be completed by May 1st.

All audit adjustments and any major changes in financial statement presentation must be communicated to the Town Clerk/Treasurer and Finance Coordinator by the end of fieldwork. Copies of working papers which support proposed adjustments to the Town's books shall be provided to Town Clerk/Treasurer and Finance Coordinator before the end of post closing fieldwork.

Presentation of the audit report to the Town Board shall be made on the second Monday of July.

IV. CONDITIONS GOVERNING THE PROCUREMENT

A public log will be kept of the names of all firms that submit proposals. The contents of the proposals will not be disclosed to competing firms prior to contract award.

The Town will review proposals for completeness and compliance with all requirements. If any submittal is deemed incomplete, the firm will be notified in writing of such determination.

The Town reserves the right to amend and/or cancel this RFP at any time.

A. GENERAL REQUIREMENTS

1. Incurring Cost:

Any cost incurred by the firm in preparation, transmittal, presentation of any submittal or material submitted in response to this RFP shall be borne solely by the firm.

2. Amended Proposals:

A firm may amend their submitted proposal before the deadline for submission. All amended proposals must be complete replacements for a previous submittal, and must be clearly identified as such in the transmittal letter. The Town of Ignacio personnel will not merge, collate, or assemble submittal materials.

3. Firms' Rights to Withdraw Proposal:

Firms may withdraw their proposal at any time.

4. Period of Offer:

Responses to this RFP, including the rate schedule, will be considered fixed for a minimum of ninety (90) days after the due date for proposals.

5. Disclosure of Submittal Contents:

Proposals will be kept confidential until a contract is awarded. Once a contract is finalized with a firm, all proposals and documents pertaining to all proposals will be open to the public, except any financial information that is marked **CONFIDENTIAL**.

6. Terms and Conditions:

Firms must submit a complete set of any additional terms and conditions, which they expect to have included in a contract negotiated with the Town, with their proposals.

7. Contract Deviations:

Any additional terms and conditions, which may be the subject of negotiation, will be discussed only between the Town and the selected firm, and shall not be deemed an opportunity to amend the firm’s submittal.

8. Qualifications:

The Town may make such investigations as necessary to determine the ability of the firm to adhere to the requirements specified within this RFP.

9. Right to Waive Minor Irregularities:

The Town reserves the right to waive minor proposal irregularities.

V. RESPONSE FORMAT AND CONTENT

A. GENERAL

The proposal should demonstrate the qualifications of the firm and of the particular staff to be assigned to this engagement. Proposals shall also include copies of audits completed for other municipal clients.

B. PROPOSAL FORMAT

The written proposal should include the information in the format outlined below.

- 1. Title page.**
- 2. Table of Contents.**
- 3. Transfer Letter:** A signed letter confirming the firm’s understanding of the work to be completed and a commitment to complete the work within the time frame described in the RFP.

C. PROPOSAL SUBMITTALS

One (1) complete hardcopy proposal must be submitted, including the hardcopy audits from other municipal clients. Additionally, a complete digital copy of the proposal must be provided to the Town Clerk/Treasurer (tdunton@townofignacio.com).

D. REQUIRED ELEMENTS

The following subjects must be included in the proposal.

1. Independence:

The firm should provide an affirmative statement that it is independent of the Town, as defined by generally accepted auditing standards and the U.S. General Accounting Office’s “Government Auditing Standards.”

2. License to Practice in Colorado:

An affirmative statement should be included indicating that the firm and all assigned key professional staff are properly licensed to practice as a CPA in Colorado.

3. Firm Qualifications and Experience:

The proposal should state the size of the firm, the size of the firm’s governmental audit staff, the location of the office from which the work on this engagement is to be performed, and the number and level of the professional staff to be employed in this engagement on a full-time basis, as well as the number and level of the staff to be employed on a part-time basis.

The firm shall submit a copy of the report on its most recent external quality control review with a statement whether that quality control review included a review of specific government engagements.

The firm shall provide information on the circumstances and status of any disciplinary action taken or pending against the firm during the past three years with state regulatory bodies or professional organizations.

The firm shall provide information on the circumstances and status of any pending litigation against the firm.

4. Partner, Supervisory and Staff Qualifications and Experience:

The firm should identify the principal supervisory and management staff, including engagement partners, managers, and other supervisors and specialists who would be assigned to this engagement, and whether each person is licensed to practice as a Certified Public Accountant in Colorado. The firm should also provide the number of staff auditors that will be assigned to this engagement. The firm should provide information on the government auditing experience of each person, including information on relevant continuing professional education for the past two years and membership in professional organizations relevant to the performance of this audit.

5. Similar Engagements with Other Government Entities:

The firm should list the most significant engagements performed in the last three years that are similar to the engagement described in this RFP. Indicate the scope of work, the date, engagement partners, total hours, and the name and telephone number of the primary client contact. Samples of audits for two governmental entities shall also be submitted.

6. Audit Approach:

The proposal should include a work plan, including an explanation of the audit methodology to be followed.

7. Report Format:

The proposal should include sample formats for the required reports.

8. Cost:

The proposal should include an all-inclusive maximum price for each engagement for the years 2024, 2025 and 2026, which is broken down into professional fees for the standard audit and out of pocket expenses. The Town will not be responsible for expenses incurred in preparing and submitting the firm's proposal. A schedule of professional fees should include the number of hours and the hourly rate for each partner, specialist, supervisory and staff level expected to be assigned to this engagement.

VI. EVALUATION CRITERIA

The selection committee, comprised of Town Board and/or Town staff members, will evaluate the proposals. During the evaluation process, the selection committee reserves the right to request additional information or clarifications from firms, or to allow correction of errors or omissions. Members of the selection committee will review and rate each proposal based on the following criteria:

1. The firm's compliance with the stated requirements of the RFP.
2. Prior experience in providing auditing services. Selection committee members will review the information submitted, as requested in Section V.
3. Past experience and performance on comparable government contracts.
4. The credentials of the firm's professional personnel to be assigned to the contract and the credentials of the firm's management support personnel to be available for technical consultation.
5. Cost proposal.
6. The Town may request presentations from a list of selected finalists. The Town plans to complete their selection process by mid-November and will apprise all firms of their decision and begin contract preparation with the selected firm.