



DATE: December 12, 2018

Proposal Deadline: 4:00 P.M., January 4, 2019

**REQUEST FOR PROPOSAL
Professional Audit Services
City of Trenton, Illinois**

SECTION 1 – BACKGROUND INFORMATION

The City of Trenton was incorporated in 1855. The City has a population over 2,700.

The City's fiscal year begins on May 1 and ends on April 30. City services and functions are divided into the following departments: Administration, Police, Public Works, Parks and Recreation, and Library.

It is governed by a Mayor and a six-member City Council.

FUND STRUCTURE

The following fund types are currently used in the City's financial reporting:

- General Fund
- Special Revenue Fund (TIF)
- Enterprise Funds (Water/Sewer)
- Component Unit (Library)

PENSION PLAN

All full-time City employees participate in the Illinois Municipal Retirement Fund (IMRF), which is an agent multiple-employer defined benefit plan.

BUDGET

The City of Trenton formally operates under the appropriations system, although Council and Staff utilize a cash basis budget for daily operations. It is anticipated the cash budget system will be formally adopted in FY2019. The annual expenditure budget for Fiscal Year 2019 is over \$3.35 million (\$1.39 million in the General Fund).

MAGNITUDE OF FINANCE OPERATIONS

Finance operations fall under the Administration Department. The principal functions performed are as follows:

Position	Number of Employees	Years with the City
City Collector	1	10
Utility Billing Clerk	1	3

The City of Trenton has an annual payroll (paid bi-weekly) of approximately \$907,000.00, covering 17 full-time employee positions. The number of part-time and temporary employees varies with as many as 55 during the summer.

SECTION 2 – PROPOSAL INFORMATION

The City of Trenton is soliciting proposals from qualified firms of certified public accountants to audit its financial statements for the fiscal year ending April 30, 2019, with the option of auditing its financial statements for each of the four subsequent fiscal years. These audits are to be performed in accordance with auditing standards generally accepted in the United States of America and the provisions of the federal Single Audit Act, the U.S. Office of Management and Budget (OMB) Circular A-133, Audits of States, Local Governments and Nonprofit Organizations.

PROPOSAL DUE DATE

The deadline for submission of proposals in response to this RFP is 4:00 PM local time on Friday, January 4, 2019.

NUMBER OF COPIES

Please provide two copies of your proposal. Your package must arrive labeled as a proposal for “Professional Audit Services.”

VENDOR CONTACT

Questions relating to this RFP should be directed to Karen Buzzard, City Clerk/Collector at (618) 224-7323. Please send your proposal to:

Karen Buzzard, City Clerk/Collector
City of Trenton
14 West Broadway
Trenton, IL 62293

RIGHT TO REJECT/RETAIN PROPOSALS

The City of Trenton reserves the right to reject any and all proposals or any part of any proposals. The City of Trenton reserves the right to retain all proposals submitted and to use any ideas in a proposal regardless of whether that proposal is selected.

DEMONSTRATIONS

During the evaluation process, the City of Trenton reserves the right, where it may serve the City's best interest, to request additional information or clarifications from proposing firms, or to allow corrections of errors or omissions. At the discretion of the City of Trenton, firms submitting proposals may be requested to make oral presentations as part of the evaluation process.

PROJECTED SCHEDULE OF EVENTS

Release of RFP	December 12, 2018
Proposal Due Date	January 4, 2019
Selected Firm Notified	January 29, 2019

FORMAT OF PROPOSAL

The proposal should be prepared simply and economically, providing a straightforward, concise description of the proposing firm's capabilities to satisfy the requirements of the request for proposals. While additional data may be presented, the following subjects must be included. They represent the criteria against which the proposal will be evaluated.

1. Independence
2. License to practice in Illinois
3. Firm qualifications and relevant experience
4. Partner, supervisory and staff qualifications and experience with governmental accounting
5. Similar engagements with other government entities with references
6. Specific audit approach
7. Identification of anticipated potential audit problems
8. Report format
9. Fee and payment terms, by year, for 2019, 2020, 2021, 2022 and 2023
Fee should include audit work, assistance in preparation of the annual report, all typing, printing and binding and all related meetings with City officials needed to prepare and submit the report.

SECTION 3 – ENGAGEMENT

A five-year contract is contemplated, subject to the annual review and recommendation of the City Administrator to the City Council.

SCOPE

The City of Trenton desires the auditor to express an opinion on the fair presentation of its financial statements.

The auditor is to provide an opinion on the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City based on the auditing procedures applied during the audit of the financial statements.

The auditor is responsible for expressing an opinion on management's assertion that the City of Trenton complied with the requirements of subsection (q) of Section 11-74.4-3 of the Illinois Tax Increment Redevelopment Allocation Act (Illinois Public Act 93-0995).

SCHEDULE

Approximately six weeks will be needed to close the City's books and prepare reports. Therefore, final audit work may begin the middle of June, 2019 at an agreed upon schedule.

The auditor shall have drafts of the audit report and recommendations to management available for review by September 20, 2019.

City staff will complete their review of the draft report as expeditiously as possible. It is not expected that this process should exceed two weeks. During that period, the auditor should be available for any meetings that may be necessary to discuss the audit reports. It is anticipated that this process will be completed and the final report as well as 10 signed copies should be delivered by October 18, 2019.

The auditor shall attend and present findings at a City Council meeting (held the 2nd and 4th Mondays) prior to calendar year end.

REPORTS

Report preparation, editing and printing shall be the responsibility of the auditor.

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

1. Report on the fair presentation of the financial statements in conformity with accounting principles generally accepted in the United States of America.
2. Report on internal control over financial reporting and on compliance and other matters based on an audit of financial statements performed in accordance with Government Auditing Standards.
3. Report on compliance with requirements applicable to each major program and internal control over compliance in accordance with OMB Circular A-133 and the schedule of expenditures of federal awards.
4. Report on compliance with Illinois Tax Increment Redevelopment Allocation Act (65 ILCS 5/11-74.4-3).
5. Annual Report as required by the Illinois Office of the Comptroller, Local Government Division.

CITY RESPONSIBILITY

City staff will be available during the audit to assist the audit firm by providing information, documentation and explanations.

The City of Trenton will provide the auditor with reasonable workspace, desks and chairs. The auditor will also be given access to telephones, copiers and facsimile machines, as needed.

RECORD RETENTION

All working papers and reports must be retained, at the auditor's expense, for a minimum of three (3) years, unless the firm is notified in writing by the City of Trenton of the need to extend the retention period. The auditor will be required to make working papers available, upon request, to the City of Trenton.

In addition, the firm shall respond to the reasonable inquiries of successor auditors and allow successor auditors to review working papers relating to matters of continuing accounting significance.