

# Kennebec County, Maine



## Request for Proposals for Auditing Services

Kennebec County seeks written proposals to provide a comprehensive response for the audit services presented below. This Request for Proposal (RFP) states the overall scope of products and services desired, as well as desired vendor qualifications.

**Contract Administrator:** Cynthia Ferguson, Finance Director  
207.622.1362 or cell 845.774.5571  
[cferguson@kennebec.gov](mailto:cferguson@kennebec.gov)

**Response Deadline:** September 1, 2023  
**All responses MUST be received by 2:00pm** (local time)  
125 State St. Augusta, ME 04330

**Respondent Meeting:** Bidders conference will be at the discretion of the County.

# *Kennebec County, Maine*

## REQUEST FOR PROPOSALS AUDITING SERVICES

### A. GENERAL INFORMATION

Kennebec County is requesting proposals for three-year contracts with optional three one-year extension/amendments, from qualified Certified Public Accounting Firms. Audits will be for **Kennebec County and separately, the Unorganized Territory of Unity Township** for the Fiscal Years ending June 30<sup>th</sup>, FY23, FY24 and FY25. A “**Single Audit**” will also be required.

Kennebec County is located in west-central Maine, Augusta, and has a population of approximately 125,000 (2021). Its annual budget is approximately \$19M (FY24) and the county has received \$23M in ARPA (American Rescue Plan Act) funding. There are 30 municipal entities in Kennebec County and one Unorganized Territory. County government consists of three Commissioners, a county administrative unit (HR, Finance, Administrator), County Sheriff and Jail, Emergency Management Agency, Register of Deeds\*, Register of Probate\*, District Attorney\*\*, and Facilities Management. (\* denotes elected official oversight, \*\* the DA is an elected official, but works for the state.)

### B. AUDIT SPECIFICATIONS-Kennebec County and separately, Kennebec County Unorganized Territory

Please indicate in your proposal if you agree to meet the following specifications. Explain any exceptions.

1. The audits shall be completed within 6 months of the close of the County’s fiscal year.
2. The audits shall be conducted in accordance with U.S. Government Accountability Office’s Government Auditing Standards, Government Auditing Standards/ Generally Accepted Government Auditing Standards (GAGAS), the State of Maine, Title 30-A M.R.S.A., § 5823, and all other applicable State and Federal laws.
3. The audit of Kennebec County shall be a financial statement audit of the County’s basic financial statements, individual funds and any aggregate discretely presented component units including the related notes to the financial statements.
  - a. Governmental Funds
    - i. General Fund - the general operating fund of the County.
    - ii. Jail Fund
    - iii. Special Revenue Funds - specific revenue sources that are legally or contractually restricted to expenditures for specified purposes.
    - iv. Capital Projects Funds - designated and reserved fund balances.
  - b. Proprietary Funds
  - c. Fiduciary Funds
  - d. Required procedures on supplementary information including management’s discussion and analysis
  - e. A Single Audit will be required for American Rescue Plan Act funding expended.
4. The audit of Kennebec County-Unorganized Territory (UT) shall be a financial statement audit of the UT’s basic financial statements, individual funds and any aggregate discretely presented component units including the related notes to the financial statements.
  - a. Governmental Funds
  - b. Required procedures on supplementary information including management’s discussion and analysis
5. The audit firm shall submit a written report, containing an expression of opinion regarding the financial statements of the County and separately, UT.
6. The audit periods shall cover the fiscal years FY23, FY24, FY25.

7. The audit firm shall submit a management letter, which shall identify deficiencies in management oversight, internal controls, operating or budgetary/ procurement procedures, and propose a corrective action plan for each finding.
8. The audit firm is also expected to assist the County with the preparation of the financial statements and supplementary schedules in accordance with accounting standards generally accepted in the United States of America.
9. The audit shall be conducted to satisfy the requirements of the State of Maine Department of Audit and Title 30-A M.R.S.A., § 5823.
10. The County views its engagement of an audit firm as an ongoing professional relationship in which the firm is expected to provide consultation services as required on auditing, accounting and other financial management concerns throughout the year.
11. The audit firm shall provide seven (7) copies of the auditor's report, the financial statements and schedules, and the management letter. The audit, management letter and other schedules are to be electronically provided (email, thumb drive) in PDF format as well.
12. The audit firm shall also provide guidance on GASB Statements and educate staff in proper financial practices in implementation of new and existing GASB pronouncements.
13. The audit firm shall assist in updating the County's comprehensive fixed assets listing to be maintained according to GASB #34 and the associated depreciation calculations on the fixed asset listing.
14. Perform a single audit in accordance to OMB A-133 (ARPA).
15. The audit firm shall:
  - a. Hold a preliminary meeting to review the audit program with Department Heads to educate them on the purpose of the audit (and why), their role, and what type of information they may be asked to provide.
  - b. meet with the County Commissioners, once the final audit report is provided, to review their findings and corrective action suggestions.
16. The audit firm shall conduct an exit interview with the County Administrator and Finance Director at the conclusion of the audit.
  - a. If necessary, the audit firm may be requested to address findings related to individual Departments with the Department Head.
17. The audit firm must prepare and file the State Audit Procedural Form and copy of the auditor's report with the State Department of Audit within thirty (30) days after completion of the audit.
18. Audit start date is negotiable.

### C. PROPOSAL INSTRUCTIONS

Proposals shall be received **no later than 2:00pm, Friday, September 1, 2023** at the Kennebec County Administrative Office, located at 125 State St. Augusta ME (2<sup>nd</sup> Floor).

Proposals that are faxed or emailed will **not** be considered.

All proposals shall be in a sealed envelope marked "**Kennebec County Audit Proposal**" and sent to:

Kennebec County  
Attn: Cynthia Ferguson, Finance Director  
125 State St  
Augusta, ME 04330

Your proposal must include the following information at minimum:

1. A brief description of your firm and its municipal auditing experience on firm letterhead.
2. An organizational chart with descriptions identifying personnel assigned to the engagement.
  - a. Please include resumes/ qualifications.
3. Include a list of current/ active municipal audit clients.
  - a. Please provide contact information for each.
4. Address the Audit Specifications in Section B and your ability to comply with each item.

5. Provide a brief description of your technical approach to the audit, focusing on your firm's understanding of local governments, financial problems, and solutions you would recommend.
  - a. The proposal should include a brief description of the audit procedures to be followed.
6. Provide a tentative schedule for performing the key phases of the audit.
  - a. This would include the total number of hours for the engagement.
7. A statement demonstrating your abilities to educate your clients through clear and concise communication.
8. The proposal must also include the price for Single Audit in accordance with Circular A-133 as a separate item.
9. A copy of your firm's most recent peer review report.
10. The maximum total fee your firm will charge for the requested services.
  - a. Provide a progress/ phase billing schedule with hours and amounts.
  - b. *Final payment shall become due only after the submission of all required reports.*

**Proposals will be opened on Monday, September 4, 2023 for review.  
Proposals will be scored and tentatively proposed to the County Commissioners on  
Tuesday, September 19, 2023.**

#### **D. EVALUATION**

The County shall evaluate the proposals on the basis of the qualifications, proposal content, and municipal audit experience. Cost will not be the only determining factor for the award of this proposal.

#### **E. COUNTY ASSISTANCE**

The County shall render assistance to the audit firm and shall respond promptly to the requests for information, provide all necessary books and records and provide access to physical facilities required by the firm for the expeditious conduct of the engagement.

#### **F. INSURANCE AND DUTY TO DEFEND AND INDEMNIFY**

The audit firm must carry sufficient professional liability insurance to cover any errors and omissions, improper judgment, or negligence associated with the engagement naming the county as additional insured. Insurance must be obtained from insurance companies licensed in the State of Maine, carrying an A.M. Best financial rating of A or better. The County will be named Additional Insured.

Additional requirements, including limits of insurance, caps on deductibles and self insured retentions, and provisions requiring the successful bidder to defend and indemnify the County against all loss and claims arising from the auditing services agreement, will be included in the contract signed between County and successful bidder.

#### **G. COMPENSATION**

The audit firm shall provide an all-inclusive maximum fee and the rates for partners, specialist supervisory and staff level persons and the anticipated time for each, for the audit.

The audit firm shall not be reimbursed for any travel, per diem, photo copying, telephone bills, or other related expenses of the audit.

Progress billing is acceptable and will be based on each phase of the audit. The balance will be paid upon completion and acceptance of the audit report.

#### **H. FURTHER INFORMATION**

Kennebec County reserves the right to reject any or all proposals. The County reserves the right to terminate the engagement after completion of any audit year, upon written notice to the firm.

Prior audits are available upon request.

All questions and requests for information should be directed to Cynthia Ferguson, Finance Director.



Auditing Services RFP – Bid Form

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Cell Phone: \_\_\_\_\_

Email: \_\_\_\_\_

Name of Firm: \_\_\_\_\_

The following bid is submitted in response to the request for proposals.

Bid amount – 2023: \_\_\_\_\_

Bid amount – 2024: \_\_\_\_\_

Bid amount – 2025: \_\_\_\_\_

Signature: \_\_\_\_\_

Name Printed: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_