



**REQUEST FOR STATEMENT OF QUALIFICATIONS
FOR AUDITING SERVICES
TOWN OF WYTHEVILLE
2020**

MICHAEL G. STEPHENS, TREASURER

**TOWN OF WYTHEVILLE
STATEMENT OF QUALIFICATIONS**

Issue Date: February 25, 2020

Title: Audit Contract

Issuer: TOWN OF WYTHEVILLE
Post Office Box 533
Wytheville, Virginia 24382

THE TOWN OF WYTHEVILLE and THE NEW RIVER REGIONAL WATER AUTHORITY requests qualified independent certified public accountants to submit Statement of Qualifications to perform a financial audit for each of the fiscal year ended June 30, 2020 (Renewable for four additional one-year periods).

Statement of Qualifications will be received until 5:00 p.m. on March 20, 2020

Copies of the Request for Statement of Qualifications may be obtained from the Town's website at www.wytheville.org or by contacting the Treasurer.

All inquiries for information should be directed to:

Michael G. Stephens, Town Treasurer
Town of Wytheville
Post Office Box 533
Wytheville, VA 24382
(276)223-3333

One copy of the Statement of Qualifications can be mailed to the address shown above, hand delivered to 150 East Monroe Street, Wytheville, Virginia 24382 or emailed to tmikes@wytheville.org.

I. INTRODUCTION:

The Town of Wytheville, Virginia and the New River Regional Water Authority requests independent certified public accountants to submit Statement of Qualifications to enter into a term contract to perform a financial audit and prepare an annual cost allocation plan for the fiscal year ended June 30, 2020. There is no expressed or implied obligation that the Town of Wytheville, Virginia shall reimburse responding firms for any expenses incurred in preparing Statement of Qualifications in response to this request. Financial records of the Town are available for review in the Office of the Town Manager.

II. GENERAL OVERVIEW OF SCOPE OF SERVICES TO BE PERFORMED BY THE AUDITOR:

Financial Statements

The auditor shall audit all funds in the custody of the Town Treasurer as well as all account groups, component-units/related organizations, identified in section II, of the Town in accordance with generally accepted auditing standards; the standards for financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; the provisions of the OMB Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*; and the *Specifications for Audits of Counties, Cities and Towns*. The audit shall result in the preparation of financial statements from the audited records of the Local Government with the auditor's opinion thereon.

Supplemental Schedules and Statistical Schedules

The auditor shall apply procedures and report on the supplementary schedules included in the Financial Report, including the statement of the treasurer's accountability, the analysis of funding progress for pension plans, and the schedule of expenditure of federal awards. The auditor is also required to apply procedures and report on statistical tables included in the Financial Report.

Internal Controls

In connection with the audit of the financial statements, the auditor shall consider, test, and report on internal controls in accordance with Generally Accepted Auditing Standards (GAAS), *Government Auditing Standards*, OMB Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*, and the *Specifications for Audits of Counties, Cities and Towns*.

Compliance Auditing

In connection with the audit of the financial statements, the Auditor shall perform tests and report on compliance in accordance with Government Auditing Standards, OMB Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*, and the *Specifications for Audits of Counties, Cities and Towns*.

Comparative Report Transmittal Forms

The Auditor of Public Accounts requires all local governments to complete Comparative Report Transmittal Forms in accordance with the provisions of the *Uniform Financial Reporting Manual*. The auditor shall prepare the required forms, perform the agreed upon procedures specified in the Uniform Financial Reporting Manual, and submit the forms to the Auditor of Public Accounts by November 30th following the end of each fiscal year.

III. MEETINGS AND REPORT PREPARATION:

Meetings

The selected Auditor shall schedule conferences between the Auditor and the governing body of the Town before the preliminary work and at the end of the field work. The purpose of these meetings is to keep the governing body fully informed on the scope and progress of the audit.

Required Reports

Based on the audit work performed, the Auditor shall include the following reports in the Audited Financial Report unless otherwise indicated:

1. An opinion on the fair presentation of the general purpose financial statements and the combining, individual fund, and individual account group financial statements in conformity with generally accepted accounting principles.
2. A report on the supplementary schedules described in Section II above. The auditor will also prepare a report on the statistical schedules included in the Financial Report.
3. A 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*. The Auditor shall communicate all reportable conditions found during the audit in the report on internal controls. Further, the Auditor shall identify any material weaknesses in his audit. The Auditor shall report other weaknesses in internal controls not meeting the definition of a reportable condition in a separate letter to management referred to in the report on internal controls.
4. A report on compliance with requirements applicable to each major program and internal control over financial reporting in accordance with OMB Circular A-133.
5. A report disclosing the status of findings and recommendations from the previous audits in accordance with *Government Auditing Standards* and the *Specifications for Audits of Counties, Cities and Towns*.
6. A report on the application of agreed-upon procedures relative to the Comparative Report Transmittal Forms. This report shall be submitted to the Auditor of Public Accounts with the Comparative Report Transmittal Forms.
7. The completion of Form SF-SAC, Data Collection Form for Reporting on Audits of States, Local Governments, and Non-Profit Organizations, in accordance with OMB Circular A-133, Audits of State, Local Governments, and Non-Profit Organizations.

8. The preparation of the Town's landfill assurance test required to be submitted to the Virginia Department of Environmental Quality by December 31st of each year, if applicable.
9. Report Preparation and Presentation
The Auditor shall be responsible for report preparation, editing, and printing. The Auditor shall furnish a draft of the financial report on or before November 30th of each year and fifteen final copies and an electronic copy upon approval of the draft by the Town.

Submission of Reports to the APA

The Auditor shall submit two copies of the Financial Report to the Auditor of Public Accounts by November 30 of each year in accordance with the *Code of Virginia*.

Submission of Reports to Federal and State Agencies

The Auditor shall be responsible for submitting copies of the Financial Reports to appropriate state and federal agencies.

Submission of Transmittal Forms to the APA

The Auditor shall submit one copy of the Comparative Report Transmittal Forms, including his report thereon, to the Auditor of Public Accounts by November 30th following the end of the fiscal year

IV. ASSISTANCE TO BE PROVIDED TO THE AUDITOR

- A. Books of Account
The Town shall fully balance the books of account, reconcile subsidiary ledgers to control accounts, and reconcile all bank accounts within 60 days of year end.
- B. Schedules
The staff of the Town shall prepare the following information on forms acceptable to the Auditor:
 1. A final detailed adjusted trial balance of each fund;
 2. A copy of the final budget presented to the Council for the audit period, the original budget ordinance for the audit period, and all amendments to the budget ordinance;
 3. A schedule of insurance in force during the year and of insurance expense for the year;
 4. A schedule of investments held by all funds at the statement date showing both book value and estimated market value at the statement date;
 5. A schedule of capital outlays during the period;
 6. A schedule of capital asset dispositions during the period;
 7. Reconciliation of the final quarter's fringe benefit tax returns;
 8. Copies of contracts with governmental grantor and grantee agencies;
 9. Copies of other contracts in force at statement date of a material amount and
 10. Such reasonable additional schedules as may be requested for financial audits.
 11. A schedule of Town's capital assets with depreciation calculated thereon.
- C. Other Assistance
The staff of the Town shall be available during the audit to assist the firm by providing information and explanation.

V. PROPOSAL PRESENTATION AND SUBMISSION

A. Format of the Proposal

Proposals should be as thorough and detailed as possible so that the Town may properly evaluate the Auditor's ability to provide the required services. Each copy of the proposal should be bound or contained in a single volume. All documentation submitted with the proposal should be contained in that single volume.

B. Contents of the Proposal

The Auditor is required to submit the following items as a complete proposal:

(1) Title Page

Show the Statement of Qualifications subject, the name of the firm, local address, telephone number, name of contact person and date.

(2) Letter of Transmittal or other format which includes the items listed below.

- a. History of the firm, including number of years in business and size of firm.
- b. A statement by the prospective Auditor of his understanding of the work to be performed with descriptions of the audit approach.
- c. The approximate dates the audit will begin (including preliminary field work) and end. Also, the approximate dates for delivery of the financial statements and Auditor's reports.
- d. Biographies, including experience, of the individuals who will be assigned to the engagement, relevant experience of each in auditing municipalities and recent continuing professional education of each.
- e. Names, addresses and telephone numbers of persons who may be contacted for references.
- f. A copy of the report on the firm's most recent external peer review.
- g. Copy of most recent review by the Auditor of Public Accounts.
- g. A statement by the prospective Auditor that:
 1. The firm is independent of the Town of Wytheville, as that term is defined in the Ethical Rules of the AICPA.
 2. The firm and the partner assigned to the engagement are licensed to perform the audit as provided by applicable laws of the Commonwealth of Virginia.
 3. The firm has met the peer review standards of the AICPA and as required by *Government Auditing Standards*.
 4. The firm will provide adequate supervision on a day-to-day basis.
 5. Staff assigned to the audit has met the continuing education requirements required by *Government Auditing Standards*, issued by the Comptroller General of the United States.

C. Right to Reject Proposals

Statement of Qualifications shall be signed by an authorized representative of the firm. All information requested must be submitted. Failure to submit all requested information may result in a lesser ranking Statement of Qualifications.

D. Deadline for Submission

To be considered for selection, the Auditor shall submit a complete response to the Request for Proposal. One original shall be submitted to the Town. Copies of the proposal may be mailed to the Town of Wytheville; Virginia 150 East Monroe Street, Wytheville Virginia 24382, hand delivered proposals should be delivered to the attention of the Town Treasurer, Michael G. Stephens or email to ttmikes@wytheville.org. The proposal should clearly be marked "Proposal for Audit Services." The deadline for submission is March 20, 2020, received until 5:00 p.m. on this date.

E. Inquiries

Inquiries concerning the request for proposal should be directed to Michael G. Stephens, Treasurer at ttmikes@wytheville.org or 276.223.3333.

VI. Evaluation and Award Criteria

A. Evaluation criteria used by the selection committee will include the following:

Description	Weight
Skill, experience, training and availability of the specified persons who will be performing the services requested.	20
The Auditor's understanding of the Town's system of accounting obtained through prior experience or discussion with appropriate local officials.	10
The prior experience and reputation of the auditor in auditing governmental units similar to the Town, including evaluation of references.	30
Time proposed to complete the engagement.	15
Availability of the Auditor to Town personnel both during the audit and at other times during the year.	15
Selection committee's opinions regarding the auditor's placement of importance on receipt of the Town's business, and anticipated responsiveness of the auditor to the Town's needs.	10
Total	100

The selection committee will consist of the Assistant Town Manager, the Town Treasurer and the Assistant Town Treasurer.

B. AWARD OF THE CONTRACT

The Town shall engage in individual discussions with two or more Offerors deemed Fully qualified, responsible and suitable on the basis of initial responses and with emphasis on professional competence, to provide the required services. Repetitive informal interviews shall be permissible. Such Offerors shall be encouraged to elaborate on their qualifications and performance data or staff expertise pertinent to the proposed project, as well as alternative concepts. At the discussion stage the Town may discuss non-binding estimates of total project costs and non-binding estimates of price for services. Proprietary information from competing Offerors shall not be disclosed to the public or to competitors. At the conclusion of the informal interviews, on the basis of evaluation factors published in this Request for Statement of Qualifications and all information developed in the selection process to this point, the Town shall select, in order of preference, two or more Offerors whose qualifications and proposed services are deemed most meritorious. Negotiations shall then be conducted, beginning with the Offeror ranked first. If a contract satisfactory and advantageous to the Town can be negotiated at a price considered fair and reasonable, the award shall be made to the Offeror. Otherwise, negotiations with the Offeror ranked first shall be formally terminated and negotiations conducted with the Offeror ranked second, and so on, until such a contract can be negotiated at a fair and reasonable price. Should the Town determine in writing and in its sole discretion that only one Offeror is fully qualified or that one Offeror is clearly more highly qualified and suitable than the others under consideration, a contract may be negotiated and awarded to that offeror.

VII. Payment Terms

The audit fee shall be payable in full upon completion of the audit and upon approval of the report by the Governing Body. Interim billings will not be allowed. Should circumstances disclosed by the audit call for a more detailed investigation by the Auditor than is necessary under ordinary circumstances, the Auditor shall inform the Governing Body of the need for such additional investigation and the additional compensation to complete the investigation.

VIII. General Terms and Conditions for Professional Services

- A. Submission of Proposal: Failure to submit a proposal in accordance with the requirements set forth in this solicitation is cause for a lesser ranking.
- B. Clarification of Statement of Qualifications: If any prospective offeror has questions about the terms contained in the solicitation documents, the prospective offeror should contact the Town Treasurer, no later than five working days before the due date. Any revisions to the solicitation will be made only by addendum by the Town Council.
- C. Applicable Laws and Courts: This solicitation and any resulting contract shall be governed in all respects by the laws of the Commonwealth of Virginia and any litigation with respect thereto

shall be brought in the courts of the Commonwealth. The Auditor shall comply will applicable federal, state, and local laws and regulations.

- D. Anti-Discrimination: By submitting a Statement of Qualifications the Auditor certifies that he will conform to the provisions of the Federal Civil Rights Act of 1964, as amended, the Virginians with Disabilities Act, and the Americans with Disabilities Act. The Auditor also agrees that during the performance of this contract:
 - a. The Auditor shall not discriminate against any employee or applicant for employment because of race, religion, color, sex or national origin. The Auditor agrees to post in a conspicuous place, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.
 - b. The Auditor, in all solicitations or advertisements for employees placed by or on behalf of the Auditor, shall state that the Auditor is an equal opportunity employer.
 - c. Notices, advertisements and solicitations placed in accordance with federal laws, rules or regulations shall be deemed sufficient for the purpose of meeting the requirements of this section.
- E. Ethics in Public Contracting: By submitting their proposals, the Auditor certifies that their proposals are made without collusion or fraud and that they have not offered or received any kickbacks or inducements from any other bidder/offeror in connection with their proposal, and that they have not conferred on any public employee having official responsibility for this procurement transaction any payment, loan, subscription, advance, deposit of money, or anything of more than nominal value, present or promised unless consideration of substantially equal or greater value was exchanged.
- F. Immigration Reform and Control Act of 1986: By submitting their proposals, the Auditor certifies that they do not and will not during the performance of this contract employ illegal alien workers or otherwise violate the provisions of the federal Immigration Reform and Control Act of 1986.
- G. Qualifications of Prospective Bidder: The Town of Wytheville may make such reasonable investigations as they deem proper and necessary to determine the ability of the firm proposing to perform the work. The Town reserves the right to reject or reduce in ranking any Statement of Qualifications if the evidence submitted by the firm, or investigations of the firm, fail to satisfy the Town that the firm is properly qualified to carry out the obligations of the contract and to complete the work contemplated therein.
- H. Changes to the Contract: The Town of Wytheville may order changes within the general scope of the contract at any time by written notice to the Auditor. The Auditor shall be compensated for any additional costs incurred as a result of such order. Said compensation shall be determined by mutual agreement between the parties in writing.
- I. Default: In case of failure to deliver services in accordance with the contract terms and conditions, the Town of Wytheville, after due oral and written notice, may procure them from other sources and hold the Auditor responsible for any resulting additional purchase and administrative costs. This remedy shall be in addition to any other remedies that the Town may have.

- J. Canceling or Amending a Solicitation: The Town of Wytheville may cancel or withdraw a solicitation in whole or in part and reject any and all proposals at any time prior to an award. The Town also may amend the solicitation by the issuance of an addendum prior to the time set for receipt of response.
- K. Protest of Award or Decision to Award: Any Auditor submitting a proposal in response to a solicitation may protest the award or decision to award a contract by submitting such protest in writing no later than ten days after the award is made or the notice of intent to award is posted. The written protest must be received by Wayne Sutherland, Town Manager no later than 5:00 p.m. of the tenth day. If the tenth day falls on a weekend or official holiday, the ten day period expires on the next regular working day. The protest shall include the specific basis for the protest and the relief sought. The Town Manager shall issue a decision in writing within ten days stating the reason for the action taken. This decision shall be final unless the offeror appeals within ten days of written decision by invoking the Town's appeal procedures, or institutes legal action as provided in Section 11-70 of the *Code of Virginia*. If the protest of any offeror depends in whole or in part upon information, then the time within which the protest must be submitted shall expire ten days after these records are available for public inspection by such offeror, or at such later time as provided in this section. No protest shall lie for a claim that the selected offeror is not a responsible offeror.
- L. Claims: Contractual claims for money or other relief shall be submitted in writing no later than sixty days after approval of the audit report by the governing Body.

IX. Special Terms and Conditions

- A. Availability of Funds: It is understood and agreed between the parties herein that the Town of Wytheville shall be bound hereunder only to the extent funds are available or which may hereafter become available for the purpose of this agreement.
- B. Cancellation of Contract: The Town of Wytheville reserves the right to cancel and terminate any resulting contract, in part or in whole, without penalty, upon 60 days written notice to the Auditor. Any contract cancellation notice shall not relieve the Auditor of the obligation to complete an audit commenced before the effective date of the cancellation.
- C. Extension of Contract: This contract may be extended by the Town of Wytheville upon written agreement of both parties for 4 successive one-year periods, under the terms of the current contract and at a reasonable time prior to the expiration.
- D. Filing Requirements: The prospective bidders are reminded that the audit contract will be filed with the Auditor of Public Accounts, Commonwealth of Virginia.
- E. Retention of Working Papers: The Auditor hereby agrees to retain all books, records and other working papers relative to this contract for five (5) years after final payment. The Town of Wytheville, Virginia, its authorized agents, and/or state and federal auditors shall have full access to and the right to examine any of said materials during this period.
- F. Subcontracts: No portion of this work shall be subcontracted without prior written consent of the Town of Wytheville, Virginia. The Auditor shall, however, remain fully liable and responsible for the work to be done by the subcontractors and shall assure compliance with all requirements of the contract.