



# TOWN OF PEMBROKE PARK

3150 S.W. 52ND AVENUE • PEMBROKE PARK, FLORIDA 33023 • BROWARD (954) 966-4600 • FAX (954) 966-5186

## Important Notice

---

### **The Proposer's Response to Request for Proposal and the Request for Proposal – Audit Services**

---

Please find included copies of the Proposer's Response to the Town of Pembroke Park's Request for Proposal - Independent Auditing Services and the Town of Pembroke Park's – Request for Proposal for Audit Services. The Proposer's Response to the Town's RFP must be completed and returned to the Town of Pembroke Park with your proposal. Failure to complete and return the Proposer's Response to the Town's RFP with your proposal will deem the bid non-responsive.

Thank you for your anticipated cooperation in this matter. If you have any questions or concerns, please feel free to contact [grodriguez@townofpembrokepark.com](mailto:grodriguez@townofpembrokepark.com).

# TOWN OF PEMBROKE PARK

## Request for Proposal-

---

### Audit Services



Last day to submit written questions will be **Friday August 12, 2016 by 4:00 pm.**

All questions are to be submitted via e-mail to:

[grodriguez@townofpembrokepark.com](mailto:grodriguez@townofpembrokepark.com)

Proposals must be submitted in seven (7) complete sets in a sealed envelope and one (1) electronic true and exact copy on a CD plainly identified as “RFP TPP Audit Services”.

Proposals are due: **Monday, August 15, 2016 by no later than 3:00 pm.**

**TOWN OF PEMBROKE PARK****REQUEST FOR PROPOSAL - AUDIT SERVICES**

The Town of Pembroke Park, Florida, is soliciting proposals from qualified independent Certified Public Accountants and/or firms licensed to practice in the State of Florida for the purpose of providing an annual examination of the financial statements and records of the Town of Pembroke Park. The audit services shall be conducted for the purpose of forming an opinion of the general-purpose financial statements taken as a whole and to determine whether operations were conducted in accordance with legal and regulatory requirements. The term of engagement for the fiscal years beginning October 1, 2015 and ending with September 30, 2018 with the expectation that additional contracts will be awarded for two (2) one year periods subject to the mutual consent of the Town Commission and the proposer.

**A. General Information:**

The Town of Pembroke Park operates under a Town Commission/Town Manager form of municipal government. The Town employs approximately 34 employees and administers a general fund budget of approximately 10 million. A copy of the Town's Annual Financial Report for the year ended September 30, 2015 is available upon request.

**B. Fund Structure:**

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

1. General Fund
2. Enterprise Funds (2)
3. Account Groups (2)
4. Pension Trust Fund

**C. Performance Requirements:**

1. The audit shall be performed in compliance within the requirements of:
  - a. Chapter 79-589 and any other applicable Florida Statutes.
  - b. Regulations of the State of Florida Department of Banking and Finance.
  - c. Rules of the Auditor General, State of Florida, Chapter 10-550 (Local Government Audits) and Chapter 10-600 (Audits of State grants and aids appropriations under Section 216.349 Florida Statutes).
  - d. Audits of State and Local Government Units, issued by the American Institute of

- Certified Public Accountants.
- e. OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, Office of Management and Budget.
  - f. United States Single Audit Act of 1984.
  - g. United States Single Audit Act Amendments of 1996
  - h. State of Florida Single Audit Act.
  - i. Statements on Auditing Standards (GAAS)
  - j. Government Auditing Standards, issued by the Comptroller General of the United States
  - k. Generally Accepted Governmental Accounting Standards.
  - l. Any other applicable Federal, State, Local regulations or professional guidance not specifically listed above as well as any additional requirements, which may be adopted by these organizations in the future.
2. The Town expects the auditor to express an opinion on the fair presentation of its general-purpose financial statements, the combining and individual fund statements in conformity with applicable generally accepted accounting principles.
  3. The audit shall be an annual audit as defined in section 11.45 (1) (b), Florida Statutes, and shall be conducted in accordance with generally accepted auditing standards as well as the standards listed above. The contract shall cover a three-year period beginning October 1, 2015 and ending with September 30, 2018, with the expectation that additional contracts will be awarded for two (2) one-year periods subject to the mutual consent of the Town Commission and the proposer.
  4. A Single Audit in accordance with the Federal and State Single Audit Acts and related professional guidance shall be conducted as required. The auditor shall provide the Town with any required letters and schedules related to this audit. In addition, the data collection form related to grants is to be completed by the auditor.
  5. The audit shall also include the preparation and review of the financial report provided to the Department of Banking and Finance to assure consistency with the financial report.
  6. A final and complete opinion letter on the financial statements taken as a whole, as well as any additional letters required by the United States or State of Florida Single Audit Act, shall be delivered to the Town of Pembroke Park no later than March 1<sup>st</sup> following the end of the fiscal year under audit. These letters shall be included in the Annual Financial Report.
  7. The auditor shall submit no later than March 1<sup>st</sup> following the end of the fiscal year under audit a full and complete management letter, which shall identify any management weaknesses observed, assess their effect on financial management and propose steps to correct or eliminate those weaknesses. It is the Town's intent that all fieldwork related to



the audit shall be completed by February 1<sup>st</sup> following the end of the fiscal year under audit.

8. The partner in charge of the audit and the audit manager, or other CPA assigned to the audit, shall agree to communicate with the Town Manager, their designee or Town Commission, as deemed necessary. Prior to submission of the completed report, the partner in charge of the audit, and/or the audit manager, will be required to review a draft of the proposed report and management letter with the Town Manager and Finance Director.
9. The auditor will prepare and deliver the following reports:
  - a. Forty (40) bound copies of the Annual Financial Report. The Town of Pembroke Park retains the right, on an annual basis, to choose to print and bind the Annual Financial Report based on the credit provided. If the Town chooses to print and bind the Annual Report, then forty (40) copies of the opinion letter on the accountants stationary must be provided.
10. Timeliness is critical in the performance of the audit. The auditor should coordinate with the Finance Director and endeavor to accomplish the audit in a phased-in approach throughout the year in order to reduce the year-end workload on both the audit firm and Town staff. The Town will make necessary records available to the auditor through the year to assist in this regard. In addition, the Town will make end-of-year records available to the auditor on or before November 30<sup>th</sup> after the end of the fiscal year under audit.
11. The auditor shall report to the Town at least weekly the status of any potential audit adjustments so that the Town may have adequate opportunity to investigate, gather information and respond if necessary. Final audit adjustments shall be submitted to the Town of Pembroke Park no later than February 1<sup>st</sup> following the end of the fiscal year under audit.
12. The workpapers are the property of the auditors and shall be held locally for a period of five years. Workpapers shall be available for examination or duplication without charge to authorized Town personnel, representatives of Federal, State and Local Agencies upon request of that Agency or the Town of Pembroke Park in accordance with Federal Law, State Law and other regulations. Working papers will also be made available for examination, at no charge, or duplication, at a reasonable charge, to subsequent auditors engaged by the Town.
13. The auditors agree to notify the Town immediately if any regulatory or other government agency requests a review of the audit workpapers concerning the Town of Pembroke Park or any other government client audited by the audit firm.

14. The auditor agrees to notify the Town immediately should any disciplinary actions be taken or complaints filed with any regulatory bodies against any of the Firm's staff or the Firm itself.
15. The auditor must designate one (1) "key" member of the audit team. The Town shall reserve the right to approve any substitutions or changes in the staff designated as "key". The audit firm contract must provide that the audit "key" member of the audit team working for the CPA firm must be returned to the Town audit each year that they continue to work for the firm, unless the Town requests that they not be assigned to the Town's audit.
16. Auditor shall provide the Town of Pembroke Park with a copy of each external quality control review (peer review) conducted during the time period engaged by the Town of Pembroke Park. In the event that a firm has been formed so recently that no peer reviews have been undertaken, the proposer should state so in the response to the RFP. If available, the proposer may submit peer reviews from any predecessor firms; however, a newly formed firm will not be eliminated from the proposal process simply because no peer reviews have been conducted in the new firm's name.
17. If difficulties are anticipated in implementing and complying with specific reporting requirements mandated by the GASB new pronouncements, the Auditor shall assist the Town to comply with these reporting requirements.

**D. Instructions for Proposals:**

1. The auditor shall submit seven (7) complete sets in a sealed envelope and one (1) electronic true and exact copy on a CD plainly identified as "RFP TPP Audit Services" to:
 

Town of Pembroke Park  
Office of Town Clerk  
3150 S. W 52<sup>nd</sup> Avenue  
Pembroke Park, Fl 33023
2. All proposals shall be submitted no later than 3:00 PM, Monday August 15, 2016. Proposals must include the following at a minimum:
  - a. Description and history of the make-up and composition of the firm.
  - b. Relevant government auditing experience of firm.
  - c. Not less than three (3) references for which the firm has performed similar work.  
Please note that one copy of an Annual Audit from one of the references must be submitted. In the event that a firm has been formed so recently that no government auditing references are available for the newly formed firm, the proposer should state

so in the response to the RFP. If available, the proposer may also submit governmental auditing references for any predecessor firms. The proposer should also identify meaningful audit experience of the key staff members; however, the Town understands that newly formed firms may not be able to provide specific references for the new firm. A newly formed firm will not be eliminated from the proposal process simply because no references are available in the new firm's name.

- d. Total staff available for this audit and the anticipated percent of audit work to be performed by various levels of staff.
- e. Resumes of the partners, managers and other supervisory staff assigned to this audit
- f. An express agreement to meet or exceed the performance specifications stated in Section C.
- g. A brief description of the audit procedures to be followed.
- h. A tentative schedule for performing key aspects of the audit.
- i. A fee schedule for the complete audit, and one single hourly rate to be used for any additional work, which may be requested by the Town that is outside the scope of this contract.
- j. Please note: the auditor is free to include any promotional material pertaining to the auditor or audit firm; however, that promotional material shall not be considered the proposal in and of itself.
- k. Copy of CPA license for all individual CPA(s) assigned to the audit and for the firm in the State of Florida.
- l. Positive affirmation that all CPA(s) assigned to the engagement have properly maintained CPE in governmental accounting as required by the Board of Accountancy.
- m. Documentation from the Board of Accountancy that the licenses described above are indeed active and in good standing.
- n. Location of the office from which the audit will be conducted.
- o. Copy of most recent two (2) external quality control reviews (peer reviews) which included a review of specific government engagements.
- p. Results of any federal or state desk review or field audits during the past three years.
- q. Circumstances and status of any disciplinary actions taken or pending against the firm or any partners or employees of the firm by the state regulatory bodies or



professional organizations.

- r. The auditing firm must agree to use Town staff in preparation of supporting schedules, reconciliations and document retrieval. Prior planning and explicit instructions are paramount for timely performance in this regard. The auditor shall provide the Town with a list of schedules to be prepared by the Town. The Finance Department staff will be available during the audit to provide information, documentation and explanation to the auditor(s).
- s. Description of insurance coverage maintained by the firm. Copy of declarations page from current policies for each of the following types of insurance must be attached:
  - 1. Workers' Compensation
  - 2. General Commercial Liability
  - 3. Professional Liability, Malpractice and Errors and Omissions

**E. Minimum Qualifications To Bid:**

- 1. Auditor must maintain a permanent office in the State of Florida.
- 2. The State of Florida, Department of Business & Professional Regulation, and Board of Accountancy must license auditor and audit firm to practice in the State of Florida.
- 3. A minimum of 1 full-time CPA must be employed and assigned to the audit for the Town of Pembroke Park.
- 4. Auditor must have experience in governmental auditing, preferably municipal.

**F. Evaluation Procedures:**

Proposals will be reviewed by an Auditor Selection Committee that will be appointed by Town Commission. The Committee shall evaluate, qualify, and rank applicants. The Town Commission will review the rankings and a select number of the ranked firms, and authorize contract negotiations for the selected firms. Among the factors that may be considered by the Evaluation Committee and the Town Commission are the following:

- 1. Municipal audit experience, including utility and grants audits.
- 2. Professional ability of personnel assigned to the audit.
- 3. Credibility and response of the client references.
- 4. Recent, current and projected workload of the proposing auditors.
- 5. Geographical location of the office.
- 6. Cost of audit services.

All interested parties are instructed and cautioned not to contact Town staff or Town Commissioners as attempts to lobby or persuade may result in disqualification. All inquiries and questions should be directed in writing via email to Georgina Rodriguez at [grodriguez@townofpembrokepark.com](mailto:grodriguez@townofpembrokepark.com).

G. **On-Site Inspections:**

Any auditor or firm wishing to make an on-site inspection in conjunction with preparing a proposal may do so with the approval of Georgina Rodriguez, Finance & Budget Director. An appointment should be scheduled with Ms. Rodriguez designating what departments the on-site visit should cover. Ms. Rodriguez shall govern time and extent of such appointments and on-site visits.

H. **Information to be provided by the Town:**

The Town will provide, at a minimum, the following information to assist the auditor in performing the annual audit:

1. General Ledger/Trial Balance printout as of September 30 and any other time periods requested by the auditor.
2. Statements of Revenues, Expenditures, Estimated vs. Actual Revenues, and Expenditures vs. Appropriations as of September 30 and any other time periods requested by auditor.
3. Various schedules and worksheets designed to assist and provide backup information to the auditor.
4. Other information requested by the auditor and mutually agreed upon by the Finance Director.

H. **Contracts, Billing and Payment:**

The Town of Pembroke Park expects to sign a contract with the successful proposer for a three (3) year period with the expectation that additional contracts will be awarded for two (2) additional one year periods subject to the mutual consent of the Town Commission and the proposer. If the fee for services under this request for proposal will vary from year to year, the proposer shall submit a flat fee for each of the three years covered by the request for the proposals. Fees for the option years will be negotiated. Significant extenuating circumstances will be considered by the Town of Pembroke Park determining whether any adjustments should be made to the proposed rates for the future years.

A progress payment not to exceed 75% of the total fee may be made upon the request of the proposer upon completion of the audit fieldwork. Final payment shall be made upon receipt and acceptance of the final audit report by the Town Commission and upon request by the proposer.

J. **Request for Additional Information by Proposer:**

Any request for additional information should be made in writing to Natasha Joseph, Town Clerk, at the address listed above.

K. **Request for Additional Information by Town of Pembroke Park:**

The proposer shall furnish such additional information as the Town may reasonably require. This includes information, which indicates financial resources as well as ability to provide and maintain the services to be provided. The Town reserves the right to make investigations of the qualifications of the proposer as it deems appropriate, including but not limited to, a background investigation conducted by the Broward Sheriff's Office.

L. **Incurred Expenses:**

The Town shall not be responsible for any expenses incurred in preparing and submitting proposals called for in this RFP.

M. **Interviews:**

The Town reserves the right to conduct personal interviews or require presentations of any or all proposers prior to selection. The Town will not be responsible for any costs incurred by the proposal in connection with such presentations or interviews (i.e. travel accommodations etc.).

N. **Request for Modification:**

The Town reserves the right to request that the proposer modify their proposal to more fully meet the needs of the Town.

O. **Acceptance/Rejection/Modification of Proposal:**

The Town reserves the right to negotiate modifications to proposals that it deems acceptable, reject any and all proposals, and to waive minor irregularities in proposals, if it is in the Town's judgment that it will best serve the interest of the Town.

P. **Proposals Binding:**

All proposals submitted shall be binding for a period of 120 calendar days following the opening of the proposals.

Q. **Addendum or Amendment to Request for Proposals:**

It is the responsibility of the proposer to ascertain prior to submitting a proposal whether any addenda have been issued, obtain such addenda and return executed addenda with the proposal.

R. **Public Record:**

All proposers shall be aware that the RFP and any responses thereto shall become Public Record.