

RFP 12-15

CITY OF NORWICH REQUEST FOR PROPOSALS FOR AUDITING SERVICES

LEGAL NOTICE

REQUEST FOR PROPOSALS CITY OF NORWICH  
REQUEST FOR PROPOSALS FOR AUDITING SERVICES

The City of Norwich, Connecticut is requesting proposals from qualified independent public accounting firms or accountants, in accordance with the provisions of the Connecticut General Statutes, to conduct an examination and to render an opinion on the comprehensive annual financial statements of the City of Norwich. Proposals will be received at the Finance office until 2:00 P.M. on Friday, January 25, 2013 at which time no further proposals will be considered. Request for Proposals forms may be obtained on the [city's website](#), the [Connecticut Department of Administrative Services bid portal](#), or at the Finance office from 8:30 A.M. until 4:30 P.M. on Mondays through Fridays. Information concerning this Request for Proposals may be obtained by contacting Joseph Ruffo at telephone (860) 823-3730. The City of Norwich is an Equal Opportunity Employer.

## CONTENTS

INTRODUCTION .....	3
General Information .....	3
Term of Engagement .....	3
DESCRIPTION OF THE GOVERNMENT.....	3
General .....	3
Background Information .....	4
Fund Structure .....	4
Budgetary Basis of Accounting .....	4
Pension Plans .....	4
ASSISTANCE TO BE PROVIDED TO THE AUDITOR AND REPORT PREPARATION .....	5
Statements and Schedules and other pertinent information to be Prepared by the City of Norwich .....	5
Proposal Calendar .....	7
Report Submissions .....	8
PROPOSAL REQUIREMENTS .....	8
General Requirements .....	8
Inquiries .....	8
Submission of Proposals .....	8
Technical Proposal .....	9
General Requirements .....	9
Independence .....	10
License to Practice in Connecticut.....	10
Firm Qualifications and Experience .....	10
Partner, Supervisory and Staff Qualifications and Experience .....	10
Similar Engagements with Other Government Entities .....	11
Indicate previous experience with public utilities audits .....	11
Audit Approach.....	11
Identification of Anticipated Potential Audit Problems.....	12
Dollar Cost Bid .....	12
Total All-Inclusive Maximum Price .....	12

General .....	5
NATURE OF SERVICES REQUIRED .....	5
General .....	5
Qualifying Requirements.....	5
Scope of Work to be Performed.....	6
Auditing Standards to be Followed .....	6
Reports to be Issued.....	6
Special Considerations .....	7
Working Paper Retention and Access to Working Papers.....	7
Other Audit Services.....	7
Implied Requirements.....	7
TIME REQUIREMENTS.....	7
Fixed Fees by Category .....	12
Rates for Additional Professional Services.....	12
Manner of Payment .....	12
EVALUATION PROCEDURES .....	12
Evaluation Criteria .....	13
Mandatory Elements .....	13
Technical Qualifications .....	13
Price .....	13
Oral Presentations.....	14
Final Selection .....	14
Right to Reject Proposals .....	14
APPENDIX A - LIST OF KEY PERSONNEL.....	15
APPENDIX B - PROPOSER GUARANTEES AND PROPOSER WARRANTIES .....	16
APPENDIX C - INSURANCE EXHIBIT - PROFESSIONAL SERVICES .....	17
APPENDIX D - Fees .....	19
APPENDIX E - SAMPLE AUDIT SERVICES PROPOSAL LETTER .....	20

## INTRODUCTION

### GENERAL INFORMATION

The City of Norwich is requesting proposals from qualified firms of certified public accountants to audit its financial statements for the fiscal years ending June 30, 2013 through June 30, 2017, terminable by the City of Norwich at any time for any or no reason. These audits are to be performed in accordance with generally accepted auditing standards, the standards set forth for financial audits in the General Accounting Office's (GAO) Government Auditing Standards (2011), the provisions of the federal Single Audit Act of 1984 and U.S. Office of Management and Budget (OMB) Circular A-133, Audits of States, Local Governments and Non-Profit Organizations and the provisions of Sections 4-230 through 4-236 of the Connecticut General Statutes concerning the State Single Audit Act.

The auditor(s) shall state that the primary purpose of the audit is to express an opinion on the general purpose financial statements taken as a whole and that the audit is subject to the inherent risk that errors or irregularities may occur and not be detected.

There is no expressed or implied obligation for the City of Norwich to reimburse firms for any expenses incurred in preparing proposals in response to this request.

To be considered, copies of a proposal must be received by 2:00 P.M. on Friday, January 25, 2013. The City of Norwich reserves the right to reject any or all proposals submitted. During the evaluation process, the City of Norwich reserve the right, where it may serve the City of Norwich's best interest, to request additional information or clarifications from proposers, or to allow corrections of errors or omissions. At the discretion of the City of Norwich, firms submitting proposals may be requested to make oral presentations as part of the evaluation process.

The City of Norwich reserves the right to retain all proposals submitted and to use any ideas in a proposal regardless of whether that proposal is selected. Submission of a proposal indicates acceptance by the firm of the conditions contained in this request for proposals, unless clearly and specifically noted in the proposal submitted and confirmed in the contract between the City of Norwich and the firm selected.

It is anticipated the selection of a firm will be completed by Friday, March 4, 2013. Following the notification of the selected firm it is expected an engagement letter will be executed between both parties within 30 days of approval.

### TERM OF ENGAGEMENT

A five year contract is contemplated, subject to the annual review and the right of the City of Norwich to terminate for any or no reason, the concurrence of the City Council and the annual availability of an appropriation.

## DESCRIPTION OF THE GOVERNMENT

### GENERAL

The auditor's principal contact with the City of Norwich will be Joseph Ruffo, or a designated representative, who will coordinate the assistance to be provided by the City of Norwich to the auditor. A list of key personnel with the location of their principal offices is included in Appendix A.

## BACKGROUND INFORMATION

The City of Norwich serves an area of 27.1 square miles with a population of 40,000. The City of Norwich's fiscal year begins on July 1 and ends on June 30. The City of Norwich provides the following services to its citizens: Police, Fire Protection, Animal Control, Ambulance, Street Lights, Emergency Management, Road Repair, Snow Removal, Refuse Removal, Recycling, Human Services, Recreation, Education, Waste Treatment, Public Utilities and General Government Service.

The City of Norwich (including education and Department of Public Utilities) has a total payroll of \$50 million covering 1,000 employees.

The City of Norwich is organized into several departments and agencies. All funds and account groups are under the administrative control of the:

- Comptroller
- Board of Education
- Department of Public Utilities

More detailed information on the government and its finances can be found in Norwich's budgets, bond official statements, and CAFR's which are available at: [www.norwichct.org/finance](http://www.norwichct.org/finance)

## FUND STRUCTURE

The City of Norwich uses several fund types, all under general ledger control, and account groups in its financial reporting. For a complete listing, please see page 25 of our [2012-13 Adopted Budget](#).

## BUDGETARY BASIS OF ACCOUNTING

The City of Norwich prepares its budgets on a basis consistent with generally accepted accounting principles.

## PENSION PLANS

The City of Norwich participates in the following pension plans:

- Defined Benefit Plan (City Employees Pension Trust)
- Volunteer Firefighters' Relief Fund

Actuarial services for these plans are provided by Hooker & Holcombe.

## ASSISTANCE TO BE PROVIDED TO THE AUDITOR AND REPORT PREPARATION

### STATEMENTS AND SCHEDULES AND OTHER PERTINENT INFORMATION TO BE PREPARED BY THE CITY OF NORWICH

The staff of the City of Norwich will prepare or provide the following statements and schedules for the auditor as follows:

1. Adjusted trial balance for all funds
2. Detailed schedules of revenues and expenditures, expenses, accounts payable and receivable, and encumbrances.
3. Detail of balance sheet and subsidiary account activity.
4. Check registers for all funds
5. Bank reconciliations for all accounts.
6. Detail of capital projects expenditures on a project to life basis.
7. Analysis of accounts as requested.
8. Investment activity schedules.
9. Debt schedules
10. Fixed assets schedules.
11. Payroll records.
12. Tax collection schedules.
13. Schedule of Compensated Absences
14. Latest Actuarial Reports
15. Completed ED-001 and Supporting Documents
16. Standard representation letters.
17. CAFR statistical tables
18. Schedule of federal and state assistance.

### GENERAL

Office space will be provided in close proximity to the financial records. Telephones will be made available as well as the use of a copy machine during the engagement. The auditor will be required to provide his/her own equipment and other office materials.

## NATURE OF SERVICES REQUIRED

### GENERAL

The City of Norwich is soliciting the services of qualified firms of certified public accountants to audit its financial statements for the fiscal year ending June 30, 2013 through June 30, 2017, with the option of the City to terminate at any time for any or no reason. These audits are to be performed in accordance with the provisions contained in this request for proposals.

## QUALIFYING REQUIREMENTS

**Qualified Firm:** Firms submitting proposals must be qualified to perform independent audits of municipalities in the State of Connecticut. The firm must have been engaged during the fiscal year ended June 30, 2007, as independent Auditors for the purpose of rendering an opinion on the annual financial statements of a Connecticut municipality with a population of at least 20,000. Also, the firm must have been involved in an audit of a municipality which has implemented GASB 43/45.

**Non-Discrimination:** No person shall be denied or subjected to discrimination on account of any services, or activities made possible by or resulting from this agreement on the grounds of sex, race, color, creed, national origin, age (except minimum age and retirement provision), marital status or the presence of any sensory, mental or physical handicap. Any violation of

this provision shall be considered a violation of a material provision of this agreement and shall be grounds for cancellation, termination or suspension in whole or in part of the agreement by the City of Norwich and may result in ineligibility for further City of Norwich contracts. The proposer shall at all times in the proposal and contract process comply with all applicable City of Norwich, state, and federal anti-discrimination laws, rules, regulations and requirements thereof.

**Reports:** Each proposer shall submit one copy of at least three Comprehensive Annual Financial Reports issued by Connecticut municipalities in which their opinion is contained. At least one of these reports shall have been awarded the GFOA Certificate of Achievement for Excellence in Financial Reporting within the past five years. Also, the proposer shall include a list of all of the municipalities in the State of Connecticut which the proposer has audited within the last three years, indicate the dollar value of the budgets of these municipalities, and your primary contact at these municipalities.

**Other:** Supervisory members of the audit team, including the "in charge" field auditor, should be Certified Public Accountants and have a minimum of two (2) years of municipal audit experience in the State of Connecticut. We intend to strongly consider municipal audit experience and certification in evaluating the proposer's audit team.

## SCOPE OF WORK TO BE PERFORMED

The City of Norwich desires the auditor to express an opinion on the fair presentation of its general purpose financial statements in conformity with generally accepted accounting principles.

The auditor is not required to audit the supporting schedules contained in the comprehensive annual financial report. However, the auditor is to provide an "in-relation-to" report on the supporting schedules based on the auditing procedures applied during the audit of the general purpose financial statements and the combining and individual fund financial statements and schedules. The auditor is not required to audit the statistical section of the report.

## AUDITING STANDARDS TO BE FOLLOWED

To meet the requirements of this request for proposals, the audit shall be performed in accordance with generally accepted auditing standards as set forth by the American Institute of Certified Public Accountants, the standards for financial audits set forth in the U.S. Comptroller General's Government Auditing Standards, the provisions of the Single Audit Act of 1984, the provisions of OMB Circular A-133, Audits of States, Local Governments and Non-Profit Organizations, and in conjunction and conformity with sections 4-230 through 4-236 of the Connecticut General Statutes (the State Single Audit Act.)

## REPORTS TO BE ISSUED

Following the completion of the audit of the fiscal year's financial statements, the auditor shall issue, as required by generally accepted auditing standards, and Government Auditing standards, OMB Circular A-133, and the Connecticut General Statutes, including but not limited to the following:

- A report on the fair presentation of the financial statements in conformity with generally accepted accounting principles.
- A report on the internal control structure based on the auditor's understanding of the control structure and assessment of control risk.
- A report on compliance with applicable laws and regulations.
- Reports on the supplementary schedules of federal and state financial assistance.
- Reports on the internal control structure used in administering federal and state financial assistance programs.
- Reports on compliance with laws and regulations related to major and non-major federal and state financial assistance programs. This report should include an opinion on compliance with specific requirements applicable to

major federal and state financial assistance programs, a report on compliance with general requirements applicable to major and non-major federal and state financial assistance programs, and a report on compliance with laws and regulations applicable to non major federal and state financial assistance program transactions tested.

The auditor shall communicate in a letter to the chief legislative body any reportable conditions found during the audit. A reportable condition shall be defined as a significant deficiency in the design or operation of the internal control structure, which could adversely affect the organization's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements.

## SPECIAL CONSIDERATIONS

The City of Norwich will send its comprehensive annual financial report to the Government Finance Officers Association of the United States and Canada for review in its Certificate of Achievement for Excellence in Financial Reporting program. It is anticipated that the auditor will be required to provide special assistance to the City of Norwich to meet the requirements of that program including, but not limited to, response to CAFR review comments.

The schedule of federal and state financial assistance and related auditor's reports, as well as the reports on the internal control structure and compliance, are to be issued separately from the comprehensive annual financial report.

## WORKING PAPER RETENTION AND ACCESS TO WORKING PAPERS

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

## OTHER AUDIT SERVICES

Periodically the City of Norwich is required to have separate audits performed. The Auditor will be expected to perform these audits and any other audit services requested by the City of Norwich outside of the standard audit at the hourly rate stated in Appendix D.

## IMPLIED REQUIREMENTS

All services not specifically mentioned in this request for proposals that are necessary to provide the functional capabilities described by the auditor shall be included in the Scope of Services.

## TIME REQUIREMENTS

### PROPOSAL CALENDAR

The following is a list of key dates:

- Request for proposal issued: December 14, 2012
- Due date for proposals: January 25, 2013

- Contract date: Within 30 days of appointment

## REPORT SUBMISSIONS

Copies of all reports shall be addressed to the Mayor and City Council. The successful proposer will also submit copies of reports as required by state and federal audit requirements. In addition, the City of Norwich requires a total of 70 CAFRs. The City also requires Portable Document Files (.pdf) of the CAFR and all other reports issued.

The submission dates for the various reports to the municipality and the appropriate cognizant agencies as follows:

- Comprehensive Annual Financial Report: November 30
- Department of Public Utilities Separate Financial Statements: November 30
- Single Audit Report: November 30
- ED001 Certification: September 30

Where an extension of time may be required, it will be the responsibility of the Auditor to promptly notify the City of Norwich, in writing. It is the City of Norwich's responsibility to secure all necessary approvals in a timely manner. The Auditor shall promptly notify the City of Norwich's City Manager of any suspicion of fraud, defalcation or misapplication of funds. Such notice shall be in addition to any notice to grantors required by single audit legislation.

The final report and 70 signed copies should be delivered to Joseph Ruffo, Comptroller.

## PROPOSAL REQUIREMENTS

### GENERAL REQUIREMENTS

### INQUIRIES

Inquiries concerning the request for proposals and the subject of the request for proposals must be made to:

Joseph Ruffo Comptroller City of Norwich 100 Broadway Norwich, CT 06360 Phone: (860) 823-3730	Athena Nagel Business Manager Norwich Public Schools 90 Town Street Norwich, CT 06360  Phone: (860) 823-4247	Steve Sinko Head of Business Services Norwich Public Utilities 16 South Golden Street Norwich, CT 06360 Phone: (860) 823-4102
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### SUBMISSION OF PROPOSALS

The following material is required by January 25, 2013 for a proposing firm to be considered:

- a. The Proposal and two copies are to include the following:

i. Title Page - Title page showing the request for proposal's subject; the firm's name; the name, address and telephone number of a contact person; and the date of the proposal.

ii. Table of Contents

iii. Transmittal Letter - A signed letter of transmittal briefly stating the proposer's understanding of the work to be done, the commitment to perform the work within the time period, a statement why the firm believes itself to be best qualified to perform the engagement and a statement that the proposal is a firm and irrevocable offer for the period covered.

iv. Detailed Proposal - The detailed proposal should follow the order set forth in Section VI B of this request for proposals.

v. Guarantees and Warranties - Executed copies of Proposer Guarantees and Proposer Warranties attached to this request for proposals (Appendix B).

b. The proposer shall submit an original and two copies of a dollar cost bid attached to this request for proposals (Appendix D).

c. Proposers should send the completed proposal (and two copies) consisting of the two (2) separate envelopes to the following address:

Joseph Ruffo  
Comptroller  
City of Norwich  
100 Broadway  
Norwich, CT 06360  
Phone: (860) 823-3730

Envelope #1: Technical Proposal

Envelope #2: Sealed Dollar Cost Bid

## TECHNICAL PROPOSAL

### GENERAL REQUIREMENTS

The purpose of the technical proposal is to demonstrate the qualifications, competence and capacity of the firms seeking to undertake an independent audit of the City of Norwich in conformity with the requirements of this request for proposals. As such, the substance of proposals will carry more weight than their form or manner of presentation. The technical proposal should demonstrate the qualifications of the firm and of the particular staff to be assigned to this engagement. It should also specify an audit approach that will meet the request for proposals requirements.

The technical proposal should address all the points outlined in the request for proposals (excluding any cost information which should only be included in Appendix D). The proposal should be prepared simply and economically, providing a straightforward, concise description of the proposer's capabilities to satisfy the requirements of the request for proposals. While additional items may be presented, the following subjects, items Nos. 2 through 9, must be included. They represent the criteria against which the proposal will be evaluated.

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## INDEPENDENCE

The firm should provide an affirmative statement that it is independent of the City of Norwich as defined by generally accepted accounting standards and the U.S. Comptroller General's Government Auditing Standards.

The firm should also list and describe the firm's professional relationships involving the City of Norwich or any of its agencies for the past five years, together with a statement explaining why such relationships do not constitute a conflict of interest relative to performing the proposed audit.

In addition, the firm shall give the City of Norwich written notice of any professional relationships entered into during the period of this agreement.

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## LICENSE TO PRACTICE IN CONNECTICUT

An affirmative statement should be included indicating that the firm and its municipal partner are qualified to practice in Connecticut.

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## 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 nature of the staff to be so employed on a part-time basis.

The firm shall also provide information on the results of the firm's latest federal or state desk reviews or field reviews of its audits. In addition, the firm shall provide information on the circumstances and status of any disciplinary action taken or pending against the firm during the past three (3) years with state regulatory bodies or professional organizations.

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## PARTNER, SUPERVISORY AND STAFF QUALIFICATIONS AND EXPERIENCE

The firm should identify the principal supervisory and management staff, including engagement partners, managers, other supervisors and specialists, who would be assigned to the engagement and indicate whether each such person is licensed to practice as a certified public accountant in Connecticut. The firm also should indicate how the quality of staff over the term of the agreement will be assured.

The proposer should identify the extent to which its staff reflects the City of Norwich's commitment of Affirmative Action.

Engagement partners, managers, other supervisory staff and specialists may be changed if those personnel leave the firm, are promoted or are assigned to another office. These personnel may also be changed for other reasons with the express prior

written permission of City of Norwich. However, in either case, the City of Norwich retains the right to approve or reject replacements.

Consultants and firm specialists mentioned in response to this request for proposals can only be changed with the express prior written permission of the City of Norwich, which retains the right to approve or reject replacements.

Other audit personnel may be changed at the discretion of the proposer provided that replacements have substantially the same or better qualifications or experience.

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## SIMILAR ENGAGEMENTS WITH OTHER GOVERNMENT ENTITIES

For the firm's office that will be assigned responsibility for the audit, list all engagements performed in the last three years within the State of Connecticut that are similar to the engagement described in this request for proposals. These engagements should be ranked on the basis of total staff hours. Indicate the scope of work, date, engagement partners, total hours, and the name and telephone number of the principal client contact.

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## INDICATE PREVIOUS EXPERIENCE WITH PUBLIC UTILITIES AUDITS.

### AUDIT APPROACH

The proposal should set forth a work plan, including an explanation of the audit methodology to be followed, to perform the services required in Section IV of this request for proposal. In developing the work plan, reference should be made to such sources of information as the City of Norwich's budget and related materials, organizational charts, manuals and programs, and financial and other management information systems.

Proposers will be required to provide the following information on their audit approach:

- a. Proposed segmentation of the engagement
- b. Level of staff and number of hours to be assigned to each proposed segment of the engagement. NO DOLLARS SHOULD BE INCLUDED IN THE TECHNICAL PROPOSAL.
- c. Sample size and the extent to which statistical sampling is to be used in the engagement.
- d. Extent of use of EDP software in the engagement.
- e. Type and extent of analytical procedures to be used in the engagement.
- f. Approach to be taken to gain and document an understanding of the City of Norwich's internal control structure.
- g. Approach to be taken in determining laws and regulations that will be subject to audit test work.
- h. Approach to be taken in drawing audit samples for purposes of tests of compliance.

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## IDENTIFICATION OF ANTICIPATED POTENTIAL AUDIT PROBLEMS

The proposal should identify and describe any anticipated potential audit problems, the firm's approach to resolving these problems and any special assistance that will be requested from the City of Norwich.

## DOLLAR COST BID

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### TOTAL ALL-INCLUSIVE MAXIMUM PRICE

The dollar cost bid should contain all pricing information relative to performing the audit engagement as described in this request for proposals. The total all-inclusive maximum price to be bid is to contain all direct and indirect costs including all out-of-pocket expenses.

The City of Norwich will not be responsible for expenses incurred in preparing and submitting the technical proposal or the dollar cost bid. Such costs should not be included in the proposal.

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### FIXED FEES BY CATEGORY

The dollar cost bid should include a schedule of professional fees and expenses, presented in the format provided in Appendix D which supports the total all-inclusive price.

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### RATES FOR ADDITIONAL PROFESSIONAL SERVICES

If it should become necessary for the City of Norwich to request the auditor to render any additional services requested in this request for proposals or to perform additional work as a result of the specific recommendations included in any report issued on this engagement, then such additional work shall be performed only if set forth in an addendum to the contract between the City of Norwich and the firm. Any such additional work agreed to between the City of Norwich and the firm shall be performed at the same rates set forth in the schedule of fees and expenses included in the dollar cost bid in Appendix D.

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### MANNER OF PAYMENT

Progress payments will be made on the basis of hours of work completed during the course of the engagement in accordance with the firm's dollar cost bid proposal. Interim billings shall cover a Period of not less than a calendar month. Ten percent (10%) will be withheld from each billing pending delivery of the firm's final reports.

## EVALUATION PROCEDURES

## EVALUATION CRITERIA

The following represent the principal selection criteria which will be considered during the evaluation process of proposals.

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### MANDATORY ELEMENTS

- a. The audit firm is independent and licensed to practice in Connecticut.
- b. The audit firm's professional personnel have received adequate continuing professional education within the preceding three years.
- c. The firm has no conflict of interest with regard to any other work performed by the firm for the City of Norwich.
- d. The firm submits a copy of its most recent external quality control review report and the firm has a record of quality audit work.
- e. The firm adheres to the instructions in this request for proposals on preparing and submitting the proposal.
- f. The firm shall submit one copy of at least three Comprehensive Annual Financial Reports issued by Connecticut municipalities in which their opinion is contained. At least one of these reports shall have been awarded the GFOA Certificate of Achievement for Excellence in Financial Reporting within the past five years.

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### TECHNICAL QUALIFICATIONS

a. Expertise and Experience

1. The firm's past experience and performance on comparable government engagements.
2. The quality of the firm's professional personnel to be assigned to the engagement and the quality of the firm's management support personnel to be available for technical consultation.
3. Experience with the preparation of federal and state financial assistance and related reports.
4. Experience in providing assistance to meet the requirements of the Certificate of Achievement for Excellence in Financial Reporting program.

b. Audit Approach - Service Delivery Plan: Describe how the firm intends to conduct the audit in the first year versus subsequent years. Describe the service delivery system including what will be done, by whom, how and where. Provide detail on staffing requirements. Describe how the services will be coordinated and monitored and how access to them will be ensured through entrance conferences, progress reporting, and exit conferences.

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### PRICE

Cost will not be the primary factor in the selection of an audit firm.

## ORAL PRESENTATIONS

During the evaluation process, the City of Norwich may, at its discretion, request any one or all firms to make oral presentations. Such presentations will provide firms with an opportunity to answer any questions the City may have on a firm's proposal. Not all firms may be asked to make such oral presentations.

## FINAL SELECTION

It is anticipated that a firm will be selected by Tuesday, February 29, 2008. Following notification of the firm selected, it is expected a contract will be executed between both parties within thirty (30) days of approval.

## RIGHT TO REJECT PROPOSALS

Submission of a proposal indicates acceptance by the firm of the conditions contained in this request for proposals unless clearly and specifically noted in the proposal submitted and confirmed in the contract between the City of Norwich and the firm selected.

The City of Norwich reserves the right without prejudice to reject any or all proposals or parts thereof for any reason, to negotiate changes to proposal terms and to waive minor inconsistencies with the request for proposal.

## APPENDIX A - LIST OF KEY PERSONNEL

Name	Title	Location	Telephone
Arters, Gene	Emergency Management Director	100 Broadway	(860) 887-1018
Barnowski, Leon	LAN Supervisor	100 Broadway	(860) 859-4404
Barrett, Betsy	City Clerk	100 Broadway	(860) 823-3734
Bergren, Alan	City Manager	100 Broadway	(860) 823-3747
Block, Bill	Purchasing Agent	100 Broadway	(860) 823-3706
Curtin, Brian	City Treasurer	100 Broadway	(860) 823-3740
Daley, Kathy	Tax Collector	100 Broadway	(860) 823-3761
Davis, Peter	Planning Development Director	23 Union Street	(860) 823-3767
Driscoll, Mike	Corporation Counsel	22 Courthouse Sq.	(860) 889-3321
Ellison, Barry	Public Works Director	50 Clinton Avenue	(860) 823-3789
Evans, Garv	Community Development Supervisor	23 Union Street	(860) 823-3769
Fusaro, Louis	Chief of Police	70 Thames Street	(860) 886-5561
Goulet, Beverly	Human Services Director	80 Broadway	(860) 823-3781
Madeira, Tony	City Accountant	100 Broadway	(860) 823-3717
Maneri, Peter	Stadium Authority Treasurer	441 Salem Tpke, Bozrah	(860) 889-3825
Marks, Brigid	Human Resources Director	100 Broadway	(860) 823-3726
Martin, Deb	Norwich Public Schools Accountant	90 Town Street	(860) 823-4247
Moss, Roger	Recreation Director	75 Mohegan Road	(860) 823-3792
Nystrom, Peter	Mayor	100 Broadway	(860) 823-3743
pothier, joshua	Deputy Comptroller	100 Broadway	(860) 823-3720
Ralston, Donna	Assessor	100 Broadway	(860) 823-3722
Sanca, Mia	Ice Rink Manager	641 New London Tpke.	(860) 892-2555
Scandariato, Kenneth	Central Fire Chief	10 North Thames Street	(860) 892-6080
Svab, Michael	Golf Course Professional	685 New London Tpke.	(860) 889-6973

**APPENDIX B - PROPOSER GUARANTEES AND PROPOSER WARRANTIES**

Proposer Guarantees - The proposer certifies it can and will provide and make available, at a minimum, all services set forth in Section IV, Nature of Services Required.

Proposer Warranties

1. Proposer warrants that it is willing and able to comply with State of Connecticut laws with respect to foreign (non-state of Connecticut) corporations.
2. Proposer warrants that it is willing and able to obtain an errors and omissions insurance policy providing a prudent amount of coverage for the willful or negligent acts, or omissions of any officers, employees or agents thereof.
3. Proposer warrants that it will not delegate or subcontract its responsibilities under an agreement without the express prior written permission of the City of Norwich.
4. Proposer warrants that all information provided by it in connection with this proposal is true and accurate.

Signature of Official: \_\_\_\_\_

Name (typed): \_\_\_\_\_

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

Firm: \_\_\_\_\_

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

## APPENDIX C - INSURANCE EXHIBIT - PROFESSIONAL SERVICES

The professional individual or firm shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from, or be in connection with the performance of the work hereunder by the individual or the firm, his agents, representatives, or employees. The cost of such insurance shall be included in the proposal.

For the purpose of this clause, the term "professional individual or firm" shall also include the individual's or firm's respective officers, agents, officials, employees, volunteers, boards and commissions.

### A. Minimum Scope and Limits of Insurance

1. Broad Form Comprehensive General Liability - \$1,000,000 combined single limit per occurrence for bodily injury, personal injury, property damage, and products / completed operations.
2. Automobile Liability - \$1,000,000 combined single limit per occurrence for bodily injury and property damage
3. Umbrella Liability - \$1,000,000 per occurrence, following form.
4. Workers' Compensation - Limits as required by State of Connecticut Labor Code
5. Employers' Liability:
  - \$100,000 each accident
  - \$500,000 disease/policy limit
  - \$100,000 disease/each employee
6. Professional Liability (if used on a claims-made basis, insurance coverage shall be maintained for the duration of the contract and for two (2) years following contract completion):
  - \$1,000,000 per occurrence
  - \$1,000,000 aggregate
7. Personal Property Coverage - Adequate insurance to cover the value of personal property (including but not limited to, personal computers) belonging to the Auditor while located on City of Norwich property, while in use or in storage, for the duration of the contract.

B. Aggregate Limits - Any aggregate limits must be declared to and be approved by the City of Norwich. At the option of the City of Norwich, the insurer shall increase or eliminate the aggregate limit and notify the City of Norwich of any erosion of aggregate limits.

C. Deductibles and Self-Insured Retentions - Any deductibles or self-insured retentions must be declared to and be approved by the City of Norwich. At the option of the City of Norwich, the insurer shall reduce or eliminate such deductibles or self-insured retentions as regards the City of Norwich or the Auditors shall procure a bond which guarantees payment of the losses and related investigations, claims administration and defense expenses. At no time will the City of Norwich be responsible for the payment of deductibles or self-insured retentions.

D. Notice of Cancellation or Non-renewal - Each insurance policy required by this Exhibit shall be endorsed to state that coverage shall not be suspended, voided, canceled, or reduced, either in coverage or in limits, except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the City of Norwich.

E. Other Insurance Provisions - The policies are to contain, or be endorsed to contain, the following provisions:

1. Liability, (General, Automobile, Professional) Coverages
  - a. **"The City of Norwich and its respective officers, agents, officials, employees, volunteers, boards and commissions"** are to be **named as additional insureds** with regards to liability arising out of activities performed by or on behalf of the Auditor; products and completed operations of the Auditor; premises owned, leased or used by the Auditor. The coverage shall contain no special limitations on the scope of protection afforded to the City of Norwich.
  - b. The Auditor's insurance coverage shall be the primary insurance as regards the City of Norwich. Any insurance or self-insurance maintained by the City of Norwich shall be in excess of the Auditor's insurance and shall not contribute with it.
  - c. Any failure to comply with the reporting provisions of the policies shall not affect coverages provided to the City of Norwich.

d. Coverage shall state that the Auditor's insurance shall apply separately to each insured against whom a claim is made or a suit is brought, except with respect to the limits of the insurer's liability.

2. Workers' Compensation and Employer's Liability Coverage

a. The insurer shall agree to waive all rights of subrogation against the City of Norwich for losses arising from the work performed by the Auditor for the City of Norwich.

b. If State statute does not require the Auditor to obtain Workers' Compensation insurance, then the Auditor shall furnish the City of Norwich with adequate proof of the self-employment status/ The Auditor agrees to waive all rights of claims against the City of Norwich for losses arising from the work performed by the Auditor. In the event that during the contract this self employment status should change, the Auditor shall immediately furnish proper notice to the City of Norwich and a certificate of insurance indicating that Workers' Compensation insurance and Employer's Liability coverage has been obtained by the Auditor as required by this Exhibit.

F. Acceptability of Insurers

1. Insurance is to be placed with insurers which have a Best's rating of at least A.

2. Insurance companies must either be licensed to do business in the State of Connecticut or be deemed to be acceptable by the City of Norwich's Comptroller.

G. Verification of Coverage - The Auditor shall furnish the City of Norwich with certificates of insurance effecting coverage required by this clause. The certificates and endorsements for each insurance policy are to be signed by a person authorized by the insurer to bind coverage on its behalf. The certificates and endorsements are to be received and approved by the Comptroller before work commences. Renewal of expiring certificates shall be filed thirty (30) days prior to expiration. The City of Norwich reserves the right to require complete, certified copies of all required policies, at any time.

All insurance documents required by this Exhibit shall be mailed to the Comptroller.

Signed:

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Auditor	Date	City of Norwich	Date
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**APPENDIX D - FEES**

To be submitted on your firm's letterhead in a **separate envelope**. To be considered, please submit three copies of your proposal to: Joseph Ruffo, City of Norwich, 100 Broadway, Norwich, CT 06360.

Firm's Name: \_\_\_\_\_  
 Location of office staffing the audit: \_\_\_\_\_  
 Number of Municipal professional audit staff in this office: \_\_\_\_\_  
 Number of Municipal professional audit staff to be assigned to this audit: \_\_\_\_\_

**FIXED FEES**

	2012-13	2013-14	2014-15	2015-16	2016-17
<b>City</b>					
General Purpose Financial Statements (w/ GASB 34)					
CDBG and Single Audit (Federal)					
State Single Audit					
Preparation of Financial Statements					
City Subtotal	0	0	0	0	0
<b>Board of Education</b>					
Grants and Single Audit (Federal)					
State Single Audit					
ED 001					
School Lunch					
BOE Subtotal	0	0	0	0	0
<b>Department of Public Utilities</b>					
Stadium Authority					
Golf Course Authority					
Ice Rink Authority					
Combined Total	0	0	0	0	0

**Total Hours included in Combined Total Fees**

	2012-13	2013-14	2014-15	2015-16	2016-17
Partner					
Manager					
Staff					

Rate/hour for services outside the scope of the audit: \_\_\_\_\_

Submitted by: \_\_\_\_\_  
 Date: \_\_\_\_\_  
 Signature: \_\_\_\_\_  
 Title: \_\_\_\_\_  
 Telephone: \_\_\_\_\_  
 Fax: \_\_\_\_\_

## APPENDIX E - SAMPLE AUDIT SERVICES PROPOSAL LETTER

(To be submitted on your firm's letterhead)

Joseph Ruffo  
Comptroller  
City of Norwich  
100 Broadway  
Norwich, CT 06360

Dear Joseph:

We have read the Request for Proposal and fully understand its intent and contents. We certify that we have adequate personnel, insurance, equipment, and facilities to fulfill the specified requirements. We understand that our ability to meet the criteria and provide the required services shall be judged solely by the Selection Committee.

We have attached the following:

1. Audited CAFR reports for three (3) clients and list of all Connecticut audit clients as outlined in Section IV, B.
2. Proposal as outlined in Section VI
3. Appendix B: Proposer Guarantees and Warranties
4. Appendix C: Insurance
5. Appendix D: Fixed Fees (separate envelope).

It is further understood and agreed that all information included in, attached to, or required by the Request for Proposal shall be public record upon delivery to the City of Norwich.

Submitted by  
Date  
Signature  
Title  
Telephone  
Fax