

LEGAL NOTICE

**TOWN OF ELLINGTON, CT
PROFESSIONAL SERVICES PROCUREMENT NOTICE
REQUEST FOR PROPOSALS
AUDITING SERVICES**

The Town of Ellington, Connecticut, acting through its Temporary Finance Officer, will be accepting proposals to select a qualified independent certified public accounting firm to conduct an audit and to render an opinion on the annual financial statements of the Town of Ellington. Interested firms should obtain the complete Request for Proposal (RFP) and related information from the Town's website at www.ellington-ct.gov/bids.aspx, or from the office of the Temporary Finance Officer at 55 Main Street, Ellington, Connecticut, 06029 ("Ellington Town Hall") during normal business hours, on or after February 6, 2020.

Sealed proposals must be submitted to the Temporary Finance Officer at the Ellington Town Hall, clearly marked "AUDITING SERVICES", no later than the close of business (4:00 p.m.) Thursday, March 5, 2020. **LATE PROPOSALS WILL NOT BE CONSIDERED.**

A non-mandatory pre-proposal meeting will be held in the Meeting Hall of Ellington Town Hall, 55 Main Street, Ellington, CT on Tuesday, February 18, 2020 at 10:00 a.m. While this meeting is not mandatory, all interested proposers must provide an indication of their intent to make a submittal to the Town of Ellington by that date, in writing, and via e-mail as follows:

Kevin Kenzenkovic, Temporary Finance Officer: kkenzenkovic@ELLINGTON-CT.gov.

The selected firm must meet all Municipal, State, and Federal affirmative action and equal employment opportunity practices. The Town of Ellington is an Affirmative Action/Equal Opportunity Employer. Minority/Women/Disadvantaged Business Enterprises are encouraged to submit a proposal.

No proposal may be withdrawn for a period of ninety (90) days after opening of proposals without approval and written consent of the Town of Ellington.

The Town of Ellington reserves the right to amend or terminate this Request for Proposal, to accept or reject any and all proposals, or any part thereof, to waive any informalities, omissions, excess verbiage or technical defects in the proposal and the Town need not necessarily award the contract to the lowest proposer if, in the opinion of the Town, it would be in the best interest of the Town to accept another proposal.

Town of Ellington

By: _____
Kevin G. Kenzenkovic,
Temporary Finance Officer

I. GENERAL INFORMATION

A. Introduction

The Town of Ellington is requesting proposals from qualified independent certified public accounting firms to audit its financial statements for the fiscal year ending June 30, 2020 with the option by the Town to extend the contract to include the audit the Town's financial statements for each of the following four (4) subsequent fiscal years. These audits are to be performed in accordance with the provisions contained in this request for proposal and with the auditing standards generally accepted in the United States of America; *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); the provisions of the State Single Audit Act as set forth in Connecticut General Statutes §§4-230 through 4-236; and requirements of the State of Connecticut Office of Policy and Management concerning municipal audits, requirements of the State of Connecticut Department of Education, and such other requirements as shall be promulgated by various oversight agencies.

B. Description of government

1. General

The auditor's principal contact with the Town of Ellington will be the Finance Officer and/or a designated representative, who will coordinate the assistance to be provided by the Town to the auditor. A list of key personnel is included as **Attachment A**.

The Town of Ellington is a municipal corporation of the State of Connecticut. The principal municipal departments, all of which will be subject to this audit, have a total appropriation of \$60,738,684 in the current fiscal year and a current equivalent work force of approximately 400 full-time, part-time and seasonal employees. The town is organized into several departments/divisions and more detailed information on the government and its finances, including the most recent audits, can be found on the Town's website:

www.ellington-ct.gov/186/Audit-Reports-Financial-Statements

2. Fund Structure

The Town of Ellington reported the following funds for the year ended June 30, 2018:

Major Funds (5):

- General Fund
- Crystal Lake School Addition Renovation Fund
- Small Cities Program Income Fund
- Sewer Authority Fund
- Crystal Lake Sewer Fund

Non-Major Governmental Funds (42)

- Special Revenue Funds(15)
- Capital Project Funds (18)
- Permanent Funds (9)

Proprietary Funds – Non-Major Enterprise Funds (2)

Fiduciary Funds – Private Purpose Trust Funds (11)

3. Pension and Other Post Employment Benefit (OPEB) Plans

The Town of Ellington participates in the State of Connecticut Municipal Employee Retirement System (CMERS) for eligible employee pension benefits, and certified teachers participate in the State of Connecticut Teachers Retirement System (TRS).

The Town of Ellington provides healthcare benefits to its retirees and their dependents. The amount of retiree required contribution varies by employment group and are established through negotiations between the Town and respective bargaining unit/labor union. All employees participating in the medical plan who retire directly from the Town and meet eligibility criteria may participate. Town pays the benefits on a pay-as-you-go basis.

The Town sponsors a defined benefit Length of Service Award Program (LOSAP) for active volunteer firefighters of the Crystal Lake and Ellington Fire Departments. The program was established pursuant to Connecticut General Statutes and provides pension benefits to facilitate the recruitment and retention of volunteer firefighters.

C. Minimum Requirements

To be considered, interested firms and individuals must satisfy the following requirements:

- Firms submitting proposals must be qualified and licensed to perform independent audits of municipalities of the State of Connecticut.
- Supervisory members of the audit team, including the ‘in charge’ field auditor, should be certified public accountants and have a minimum of four (4) years of municipal audit experience in the State of Connecticut. All of the firm’s personnel shall receive adequate continuing professional education.
- The firm shall have no conflict of interest with regard to any other work performed by the firm for the Town of Ellington.
- The firm must have audited and rendered an opinion on at least three Financial Statements issued by Connecticut Municipalities similar in size to the Town of Ellington. It is desirable, but not mandatory, that one of the reports shall be a CAFR which has been awarded the GFOA Certificate of Achievement for Excellence in Financial Reporting. Each Firm shall submit a

listing of these reports in the proposal. It is not required to submit copies of these reports with the proposal response; however, firms should be prepared to present copies upon the Town's request.

- The firm must have background and experience in performing assessments of compliance with federal statutes, regulations, and the terms and conditions of federal awards to municipalities applicable to their federal programs and the Uniform Guidance Federal Procurement Standards that went into effect on July 1, 2018 as well as the provisions of the State Single Audit Act as set forth in Connecticut General Statutes §§4-230 through 4-236.
- The firm shall have a record of quality audit work. The firm must submit a copy of its most recent external quality control review report.

D. Evaluation Criteria

The following represents the principal selection criteria which will be considered during the evaluation process of proposals. At a minimum, the audit firm must meet the minimum requirements described herein.

1. Experience and Staff/Team Qualifications

- The firm's past experience and performance on comparable government engagements.
- The qualifications of the firm's professional personnel to be assigned to the engagement and the qualification of the firm's management support personnel to be available for technical consultation.

2. Audit Approach – The audit approach is comprehensive and effective. Describe how the firm intends to conduct the audit in the first year versus subsequent years.

3. Proposed Work Plan/Timeline

The service delivery plan is effective and responsive to the Town's needs. Describe 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 audit management will be ensured. Frequent touchpoints such as entrance conferences, progress reporting, and exit conferences are required.

Of particular note, the Town has, for a period of years, been late with both performing the audit function and filing the required financial reports with the State of Connecticut Office of Policy and Management (OPM) by the required December 31st filing deadline. Proposers should demonstrate how they intend to address this issue and develop a work plan and timeline/schedule that will address this to allow for timely completion and filing of the required financial report in the initial and future audit engagement years.

4. Other Considerations – The audit firm adhered to the proposal instructions regarding presentation and required attachments. If the proposal identifies any exception from the stated

requirements and specifications, they must be clearly noted as exceptions and attached to the proposal.

E. Selection Process

Proposals submitted will be evaluated in accordance with the criteria set forth herein by a Selection Committee designated by the First Selectman and the Board of Finance. During the evaluation process, the Selection Committee may, at their discretion, request any one or all firms to make oral presentations. Such presentations will provide firms with an opportunity to answer any questions the Selection Committee may have on a firm's proposal. Not all firms may be asked to make such oral presentations. Oral presentations are tentatively scheduled for the week of March 16 – 20, 2020.

Based on the results of the presentations the Selection Committee will recommend a firm for approval by the Board of Finance and Finance Officer. The Finance Officer will review the Scope of Services, proposed fee structure, and other factors with the top rated firm and negotiate a specific agreement and final fee based on these discussions.

It is anticipated the selection of a firm will be completed by Tuesday, March 24, 2020.

The Town will not award the contract to any business that, or individual who, is in arrears or in default to the Town with regard to any tax, debt, contract, security or any other obligation.

The selected proposer will be required to execute a contract in form substantially as attached as Attachment E with the Town of Ellington within fourteen (14) days following the Notice of Award. The Notice of Award does not provide the proposer with any rights and does not impose on the Town any obligations. The Town is free to withdraw its award at any time and for any reason prior to the signing of the contract.

F. Terms of Engagement

The selected firm or individual will be expected to commence services on or before July 1, 2020, subject to contract execution. A one-year contract will be awarded with the option for the Town to renew for four (4) additional years, subject to an annual review and satisfactory negotiation of terms including a price acceptable to both the Town and the selected firm and subject to the annual availability of an appropriation.

Proposers should take note that at the time of signing the contract all of the following additional documents are required by the contract:

- Certificate of Insurance with coverage as set forth herein;
- Corporate Resolution or similar, authorizing execution of contract (Sample will be furnished to successful proposer);
- Opinion of proposer's counsel opining as to proposer's legal authority to perform this type of work, legal standing under law, and authority of officers or members of proposer. (Sample will be furnished to successful proposer); and
- W-9 and Payee Information Form.

II. SCOPE OF SERVICES

A. Specific Services

The audit firm will perform an audit of all funds of the Town of Ellington. The audit will be conducted in accordance with auditing standards set forth in Section I.A. The Town's Financial Statements will be finalized and printed by the audit firm. The audit firm will render their auditors' report on the basic financial statements which will include both government-wide financial statements and fund financial statements. The audit firm will also apply limited audit procedures to Management's Discussion and Analysis and other required supplementary information. In addition, the audit firm will render the appropriate report on compliance and on internal control over financial reporting based on an audit of the basic financial statements performed in accordance with the standards set forth herein.

The audit firm will perform a single audit of the expenditures of federal financial assistance in accordance with the standards set forth herein and render the appropriate reports on compliance with requirements applicable to each major program, internal control over compliance in accordance with the standards set forth herein, and on the schedule of expenditures of federal awards. The single audit report will include the appropriate schedule of expenditures of federal awards, footnotes, findings and questioned costs, and follow up on prior audit findings where required.

All reports will be delivered by mid-December of each year for the previous fiscal year. A PDF or similar word searchable file of the reports that can be posted on the Town's website will be provided to the Town at that time.

The auditor shall promptly notify, in writing, the Town's First Selectman, Finance Officer and, if applicable, Superintendent of Schools of any suspicion of fraud or misapplication of funds. Such notice shall be in addition to any notice to grantors required by single audit legislation.

The auditor shall communicate in a letter to the First Selectman, Finance Officer and Board of Finance 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 Town's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements.

The auditor shall attend a Board of Finance meeting after the financial statements have been issued. The auditor shall discuss with the Board any challenges encountered during the audit or relevant information pertinent to the audit process.

B. 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 five years unless the Firm is notified in writing by the Town of Ellington of the need to extend the retention period. The auditor will be required to make working papers available, upon request by the Town of Ellington. In accordance with the requirements of *Government Auditing Standards* and of the Single Audit Act Amendments of 1996, the auditor is required to provide access to the working papers and photocopies thereof to a federal agency or the Comptroller General of The United States

upon their request for their regulatory oversight purposes. If such a request is made, the auditor will inform the Town Finance Officer prior to providing such access.

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.

C. Implied Requirements

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

D. Special Considerations

The Town of Ellington will consider developing and submitting a comprehensive annual financial report (CAFR) to the Government Finance Officers Association (GFOA) for review in its Certificate of Achievement for Excellence in Financial Reporting program at some point during the audit engagement. The auditor will be required to provide assistance to meet the requirements of that program.

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.

Prior to submission of the final report, the firm's staff will provide a copy of the report marked Draft for Discussion Only. A copy of all audit adjustments shall be furnished to the Finance Officer.

The selected firm shall be available on occasion to assist in certain accounting issues if they arise during the course of the year. These issues may include advice on implementation of new governmental accounting pronouncements and internal control procedure improvements.

The Town of Ellington anticipates it may prepare one or more official statements in connection with the sale of debt securities which will contain the basic financial statements and the auditor's opinion thereon. The auditor shall be required, if requested by the financial advisor, underwriter and/or bond counsel, to issue a "consent and citation of expertise" as the auditor and any necessary "comfort letters." By responding to the RFP, the responder acknowledges that the financial statements, including the auditor's opinion, are property of the Town, and the responder consents to the use of such in the Town's official statements, and posting on Town website and MSRB's EMMA portal.

E. Staff Responsibilities

The staff of the Town of Ellington will prepare or provide the following statements and schedules for the auditor:

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, as requested
4. Check registers for all funds
5. Bank reconciliations for all accounts
6. Detail of capital projects expenditures
7. Analysis of accounts as requested
8. Debt schedules
9. Capital assets schedules
10. Payroll records
11. Tax collection schedules
12. Schedule of compensated absences
13. Latest actuarial reports
14. Completed Education Financial System (EFS) report and supporting documents
15. Standard representation letters
16. Individual fund statements for all funds
17. Notes to the financial statements
18. Required supplementary information
19. Management's discussion and analysis
20. Schedules of federal and state assistance

Office space will be provided in close proximity to the financial records.

Wireless connections and the use of a copy machine will be made available during the engagement.

The auditors will be required to provide their own computer/electronic equipment and other office materials.

F. Insurance

If a contract is reached with a firm, said Firm shall, at its own expense and cost, obtain and keep in force during the entire duration of the engagement the following insurance coverage covering the Firm and all of its agents, employees and sub-contractors and other providers of services and shall name the ***Town of Ellington, the Board of Education, their employees and agents, as an Additional Insured*** on a primary and non-contributory basis to the Firm's Commercial General Liability and Automobile Liability policies. ***These requirements shall be clearly stated in the remarks section on the Firm's Certificate of Insurance.*** Insurance shall be written with insurance carriers licensed to do business in the State of Connecticut and with a minimum Best's Rating of A-/VII with all policies written on an occurrence form basis. In addition, all carriers are subject to approval by the Town. Minimum Limits and requirements are stated below:

Workers' Compensation Insurance:

- Statutory Coverage
- Employer's Liability
- \$1,000,000 each accident
- A waiver of subrogation shall be provided in favor of the Town and its employees and agents

Commercial General Liability:

- Including premises and operations, products and completed operations, personal and advertising injury, contractual liability and independent contractors
- Limits of liability for bodily injury and property damage
- Each occurrence \$1,000,000
- Aggregate \$2,000,000 (aggregate limit shall apply separately to each job)
- A waiver of subrogation shall be provided in favor of the Town, the Board of Education and their employees and agents

Automobile Insurance:

- Including all owned, hired, borrowed and non-owned vehicles
- Each occurrence \$1,000,000 for bodily injury and property damage
- A waiver of Subrogation shall be provided in favor of the Town and its employees and agents

Error and omission liability or professional services liability policy:

- Provide errors and omission liability or professional services liability policy for a minimum limit of liability \$5,000,000 each occurrence or per claim. The awarded firm(s) will be responsible to provide written notice to the owner 30 days prior to cancellation of any insurance policy
- The Firm agrees to maintain continuous professional liability coverage for the entire duration of the engagement, and shall provide for an extended reporting period in which to report claims for seven years following the conclusion of the project.

The Firm shall provide a Certificate of Insurance as evidence of General Liability, Auto Liability including all owned, hired, borrowed and non-owned vehicles, statutory Worker's Compensation and Employer's Liability and Professional Services Liability coverage.

The Firm shall direct its Insurer to provide a Certificate of Insurance to the Town before any work is performed. All policies must have a 30 day advance written notice requirement prior to cancellation or non-renewal of any insurance policy, with such notice to be sent to the Ellington Finance Officer, P.O. Box 187, Ellington, CT 06029. The Certificate shall evidence all required coverages including the Additional Insured on the General Liability and Auto Liability policies and Waiver of Subrogation on the General Liability, Auto Liability and Workers Compensation policies. The Firm shall provide the Town copies of any such insurance policies upon execution of the contract and at any upon any other reasonable request.

G. Indemnification

To the fullest extent permitted by law, the Firm shall indemnify and hold harmless the Town, and its consultants, agents, and employees from and against all claims, damages, losses and expenses, direct,

indirect or consequential (including but not limited to fees and charges of engineers, attorneys and other professionals and court and arbitration costs) to the extent arising out of or resulting from the performance of the Firm's work, provided that such claim, damage, loss or expense is caused in whole or in part by any negligent act or omission by the Firm, or breach of its obligations herein or by any person or organization directly or indirectly employed or engaged by the Firm to perform or furnish either of the services, or anyone for whose acts the Firm may be liable.

The above insurance requirements are the Town's general requirements. Insurance requirements with the awarded Firm are subject to final negotiations.

H. 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 Town of Ellington and may result in ineligibility for further Town of Ellington contracts. The Firm shall at all times in the proposal and contract process comply with all applicable Town of Ellington, state, and federal anti-discrimination laws, rules, regulations and requirements thereof.

III. SUBMISSION OF PROPOSAL

A. Proposal Instructions

All questions regarding this Request for Proposal shall be emailed to the Temporary Finance Director at kkenzenkovic@ELLINGTON-CT.gov. Questions will be accepted up until 4:00 p.m., Wednesday, February 19, 2020. No inquiry received after said date will be given consideration.

All questions, and subsequent answers will be posted on the Town of Ellington website at: www.ellington-ct.gov/bids.aspx by Friday, February 21, 2020. It is the responsibility of all interested proposers to check the website during the RFP process.

Except as specifically provided in this Section, proposers are prohibited from contacting any Town employee, officer, or official concerning this Request for Proposal. Failure to comply with this requirement may result in disqualification.

This request for proposal does not commit the Town of Ellington to award a contract or to pay any costs incurred in the preparation of a proposal to this request. All proposals submitted in response to this Request for Proposal become the property of the Town Ellington.

Submission of a proposal indicates acceptance by the Firm of the conditions contained in this Request for Proposal, unless clearly and specifically noted in the proposal submitted and confirmed in the contract between the Town and the firm selected. The Town of Ellington reserves the right to amend or terminate this Request for Proposal, to accept or reject any or all proposals or parts thereof for any reason as a result of this request, to waive any informalities, omissions, excess verbiage or technical defects in the proposal, to negotiate with the selected firms, and the right to extend the contract for an additional period.

By submitting a proposal, you represent that you have thoroughly examined and become familiar with the scope of services outlined in this RFP and you are capable of performing the work to achieve the Town's objectives.

Please submit one (1) clearly marked original and ten (10) physical copies of the proposal along with an electronic copy of the Firm's full response.

All proposals shall be received at the address listed below, no later than **Thursday, March 5, 2020 at 4:00 p.m.** Any responses received after the deadline will not be considered:

**Finance Office
Audit RFP Response
Town of Ellington
55 Main Street
Ellington, CT 06029**

Proposals received prior to the time established herein for the receipt and opening of same will be securely kept unopened. The Finance Officer whose duty it is to receive and open all proposals will decide when the specified time has arrived for the opening of same. No responsibility will be attached to an officer for premature opening of a proposal not properly addressed and identified.

The Town of Ellington, Connecticut will neither accept nor consider any proposal which is received after the time established herein for the opening of same; regardless of the cause for delay in the arrival of a proposal. The same will be returned unopened. Postmarks prior to the time established for the opening of proposals do not satisfy this requirement.

Telegraphic or faxed proposals will not be considered.

Any proposal may be withdrawn on written or telegraphic or fax request, dispatched in time for delivery in the normal course of business, at least one hour prior to the hour fixed for the opening of proposals. Fax number for the Finance Officer is (860) 870-3158.

No proposal may be withdrawn for a period of ninety (90) days after opening of the proposal without approval and written consent of the Town of Ellington.

All respondents are required to submit the information detailed below. Please ensure that responses are organized and presented in the order listed below to assist the town in reviewing and evaluation proposals.

Title Page – Showing the Firm name, along with the name, address and telephone number of the contact person and the date of the proposal.

Table of Contents – To include clear identification of the material provided by section.

Transmittal Letter – Indicating the Firm's interest in providing the service, the Firm's understanding of the work to be completed and any other information that would assist the Town in making a selection. The letter should be signed by a person legally authorized to bind the Firm to a contract.

Minimum Qualifications – The proposal shall state that the Firm meets the minimum requirements listed within this RFP and any additional information needed to demonstrate compliance.

Firm Experience and Qualifications – The proposal shall state background information on the specific office that will be assigned to the engagement including size, location, and number of staff specific to the engagement. Proposal should identify the principal supervisory and management staff who would be assigned to the engagement, and list the individuals' qualifications.

Audit Approach – Set forth an explanation of the audit methodology to be followed. Specifics to be addressed are:

- How the Firm intends to conduct the audit in the first year versus subsequent years
- Approach to be taken in drawing audit samples for purposes of tests of compliance
- Approach to be taken to gain and document an understanding of the internal control structure for the Town of Ellington
- Type of analytical procedures to be used in the engagement

Proposed Work Plan and Timeline – The proposal should describe the service delivery including staffing requirements, breakdown of estimated hours for each segment of the engagement, and estimated dates of completed reports. Please list standard communications to be expected such as commencement and exit meetings, progress updates, or other reports. Details should be provided regarding service coordination and monitoring procedures. ***Note: This is an especially important component in that the Town of Ellington, as previously stated in the RFP, desires to address issues and conditions that have contributed to late completion and filing of the audit. All proposers are advised to pay particular attention to this requirement and respond accordingly.***

Other Considerations – The proposal should identify any exceptions taken to this Request for Proposal. Any exceptions must be clearly noted as such and attached to the proposal.

Proposer Guarantees/Warranties – See **Attachment B**

Pricing – See **Attachment C** for pricing format.

Legal Status Disclosure – If a proposer is a Corporation, Limited Liability Company, or other business entity that is required to register with the Connecticut Secretary of State's Office, it must have a current registration with that office. The Town may, in its discretion, request acceptable evidence of any proposer's legal status. Any such proposer shall complete and submit the attached Proposer's Legal Status Disclosure – see **Attachment D**.

Proposed Contract – See **Attachment E**

B. Fee for Additional Professional Services

If it should become necessary for the Town of Ellington to request the auditor to perform additional services not requested in this request for proposal 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 Town and the firm. Any such additional work agreed to between the Town and the firm shall be performed for a mutually agreed upon fee.

C. 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 proposal. Interim billings shall cover a period of not less than quarterly. The Town of Ellington reserves the right to withhold 10% from each billing pending delivery of the firm's final reports.

D. Proposal Calendar

Below is a calendar for pertinent dates in the Request for Proposal timeline. Any revisions to the calendar below will be updated and posted to the Town of Ellington website.

- Request for Proposal issued: February 6 2020

- Proposers Meeting: Tuesday, February 18, 2020, 10:00 a.m.
- Questions due to Finance Office: Wednesday, February 19, 2020, 4:00 p.m.
- Questions and corresponding answers posted to the Town website: February 21, 2020
- Proposals Due: Thursday, March 5, 2020, 4:00 p.m.
- Selection Committee Meets: Week of March 9 - 13, 2020
- Oral Presentations (if requested): Week March 16 -20, 2020.
- Notice of Award by Board of Finance: Tuesday, March 24, 2020
- Contract Execution: within 14 days of Notice of Award

IV. AUDIT SCHEDULE AND DELIVERABLES

A. Schedule for the Annual Audit

An entrance conference will be held between the Finance Officer, Board of Education Director of Finance and Operations, other Town staff as determined appropriate and the auditor as soon as possible after selection and contract completion to arrange time to commence preliminary and year end field work.

The Town and auditor will work together to ensure completion of the engagement so that the auditor delivers a draft to the Finance Officer by mid-November.

B. Report Submissions

Submission dates for the various reports to the municipality are as follows:

- EFS Certification December 15, 2020
- Financial Statements and Accompanying Notes December 15, 2020
- Single Audit Reports December 15, 2020

Where an extension of time may be required, it will be the responsibility of the auditor to promptly notify the Town of Ellington. It is the Town's responsibility to secure all necessary approvals in a timely manner.

Twenty (20) copies of the finalized Financial Statements, and both Single Audits should be delivered to:

**Finance Office
Town of Ellington
55 Main Street
Ellington, CT 06029**

An additional sealed copy of each should be addressed to the Town Clerk. A PDF file of the Financial Statements and the federal and state single audit reports to be posted to the Town's and other regulatory websites should also be provided at that time. In addition, the audit firm will supply a PDF of the Financial Statements, related supporting worksheets and opinion for the financial statements to be used exclusively for official statement purposes for the issuance of bonds and/or short term bond anticipation notes.

ATTACHMENT A

LIST OF KEY PERSONNEL

Name	Title
Lori L. Spielman	First Selectman
TBD	Finance Officer/Treasurer
Felicia LaPlante	Assistant Finance Officer/Deputy Treasurer
Ann Marie Conti, CCMC	Tax Collector
Kim Bechard	Assessor
Dr. Scott Nicol	Superintendent of Schools
Brian Greenleaf	Director of Finance and Operations

NOTE: The position of Finance Officer/Treasurer is being temporally filled by Mr. Kevin Kenzenkovic. Mr. Kenzenkovic, with the assistance of Ms. Felicia LaPlante, will be overseeing the RFP and auditor selection process on behalf of the Board of Finance. The town is actively engaged in a search for a permanent Finance Officer. It is fully anticipated that a permanent Finance Officer will be hired and in place by the time the audit engagement will begin. The selected firm will be notified when this transition takes place.

ATTACHMENT B

PROPOSER GUARANTEES / WARRANTIES

Proposer Guarantees:

The Proposer certifies it can and will provide and make available, all services set forth in this Request for Proposal.

Proposer Warranties:

1. Proposer warrants that it is independent and licensed to practice in Connecticut.
2. Proposer warrants that it is willing and able to comply with State of Connecticut laws with respect to foreign (non-State of Connecticut) corporations.
3. 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.
4. Proposer warrants that it will not delegate or subcontract its responsibilities under an agreement without the express prior written permission of the Town of Ellington.
5. Proposer warrants that all information provided by it in connection with this proposal is true and accurate.
6. Proposer warrants that the proposal is genuine; it is not a collusive or sham proposal;
7. Proposer warrants that proposer developed the proposal independently and submitted it without collusion with, and without any agreement, understanding, communication or planned common course of action with any other person or entity designed to limit independent competition;
8. Proposer warrants that proposer, its employee and agents have not communicated the contents of the proposal to any person not an employee or agent of the proposer, and will not communicate the proposal to any such person prior to the official opening of the proposal; and
9. Proposer warrants that no elected or appointed official or other officer or employee of the Town of Ellington is directly or indirectly interested in the proposer's proposal, or in the supplies, materials, equipment, work or labor to which it relates, or in any of the profits thereof.

The undersigned proposer further certifies that this statement is executed for the purpose of inducing the Town of Ellington to consider the proposal and make an award in accordance therein.

Typed/Printed Name of Individual

Legal Name of Firm/Doing Business as

Signature of Individual

Street Address

Title

City, State, Zip Code

Date

Telephone/Fax Number

E-Mail Address

SS # or TTN #

ATTACHMENT C

FORMAT FOR DOLLAR COST PROPOSAL

Fixed Fees:

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
Town:	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
WPCA:	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
Board of Education:	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
Combined Total	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____

Total hours included in combined total fees:

Partner _____

Manager _____

Staff _____

Please disclose the additional annual cost charged to the Town of Ellington if the currently formatted Financial Statements are converted to a Comprehensive Annual Financial Report (CAFR).

Please disclose any and all fees or expenses not included in the above pricing which may be charged back to the Town of Ellington.

ATTACHMENT D
LEGAL STATUS DISCLOSURE

To the Town of Ellington:

RE: AUDIT SERVICES

To the Town of Ellington:

The undersigned proposer, having fully informed himself/herself/itself regarding the accuracy of the statements made herein, certifies that:

IF A SOLELY OWNED BUSINESS:

Proposer's Full Legal Name: _____

Street Address: _____

Mailing Address (if different): _____

Number of years engaged in business under sole proprietor: _____

IF A CORPORATION:

Proposer's Corporate Name: _____

Street Address: _____

Mailing Address (if different): _____

Number of years engaged in business: _____

Name of current officers:

Secretary _____

President _____

IF A LIMITED LIABILITY COMPANY:

Proposer's Company Name: _____

Street Address: _____

Mailing Address (if different): _____

Number of years engaged in business: _____

Name and address of current managers/members (use separate sheet if necessary):

IF A PARTNERSHIP:

Proposer's Partnership Name: _____

Street Address: _____

Mailing Address (if different): _____

Number of years engaged in business: _____

Name and address of current partners:

The undersigned proposer further certifies that this disclosure is executed for the purpose of inducing the Town of Ellington to consider its proposal and make an award in accordance therewith.

DATED: _____, 2020

PROPOSER:

By _____

SUBSCRIBED and sworn to
before me this ____ day
of _____, 2020.

ATTACHMENT E

TOWN OF ELLINGTON

CONTRACT

AUDIT SERVICES

(Project Name)

BY AND BETWEEN

THE TOWN OF ELLINGTON

AND

TOWN OF ELLINGTON CONTRACT
AUDIT SERVICES

AGREEMENT made as of the _____ day of _____, 2020, between the Town of Ellington, acting herein by Lori Spielman, First Selectman, 55 Main Street, P.O. Box 187, Ellington, Connecticut 06029, hereinafter referred to as “the Town” and in supplemental documents as “the Owner”, and _____ with a principal office located at _____ hereinafter referred to as “the Contractor”.

The Project Coordinator is:

KEVIN KENZENKOVIC, TEMPORARY FINANCE OFFICER

The Town and the Contractor agree as follows:

ARTICLE 1:
CONTRACT DOCUMENTS

1.1 The Contract Documents consist of all of the documents listed in Paragraph 1.2. All of the documents form the Contract between the parties and are as fully a part of the Contract as if attached to this Agreement or repeated herein. The Contract is the entire and integrated agreement between the parties hereto and supersedes prior negotiations, representations or agreements, either written or oral. An enumeration of the Contract Documents, other than modifications subsequent to this Agreement, are listed in Section 1.2.

1.2 The Contract Documents, except for modifications which may be issued after execution of this Agreement, are:

- (a) This Agreement as executed by the parties;
- (b) The Town of Ellington Request For Proposal, including any addenda or additions issued prior to the awarding of the Project proposal;
- (c) The Contractor’s Proposal Form and all documents attached to or included with said proposal without limitation;
 - 1. Non-collusion Affidavit of Contractor;
 - 2. Contractor’s Legal Status Disclosure; and
 - 3. Contractor’s Qualifications Statement.
- (d) Company Resolution
- (e) Opinion of Contractor’s Counsel

+

ARTICLE 2:
CONTRACT WORK

The Contractor shall provide and furnish competent personnel and furnish all labor and materials necessary to audit the Town's financial statements in accordance with the specifications set forth in the Request for Proposal (the "Contract Work").

ARTICLE 3:
TERM OF CONTRACT

3.1 Contractor shall begin work on July 1, 2020 and continue for a period of one year until June 30, 2021.

3.2 OPTION TO RENEW: The Town of Ellington shall have the option to renew this contract for four additional years upon all of the same terms and conditions provided it gives Contractor notice of its exercise of this option not later than 30 days prior to the July 1st beginning date for any succeeding option year.

ARTICLE 4:
CONTRACT SUM

The Town shall pay the Contractor for the contractor's performance of the Agreement at the rates set forth on Contractor's Proposal made a part of this contract.

ARTICLE 5:
PAYMENT

Contractor shall submit its bills periodically, but not more frequently than quarterly, to the Project Coordinator who shall review the bill and resolve any inconsistencies with the Contractor. Bills shall detail the work performed, the names of the workers performing the work, the job title of each worker consistent with the proposal titles, the number of hours each worked, the rate for each worker in accordance with the proposal, total labor charges and a separate list of material supplied with invoices attached. Upon approval of the bill by the Project Coordinator, he shall process the bill for payment in the normal course of bill payments by the Town. Payments, less a ten percent (10%) retainage, will be made within 30 days after Project Coordinator's approval of the bill. Payment of the retainage shall be made to the Contractor upon delivery of the final reports referred to in the Request for Proposal.

ARTICLE 6:
DEFAULT AND REMEDY

Termination. If, at any time during the term of this Contract, the Contractor, in the sole discretion of the Town: (a) has failed to perform the Work in a competent and satisfactory manner; (b) has become insolvent; (c) makes an assignment for the benefit of creditors; (d) files a voluntary petition in bankruptcy; (e) is subject to an involuntary petition in bankruptcy that is not discharged within thirty (30) days; (f) abandons the Work; (g) subcontracts, assigns, transfers, conveys or otherwise disposes of its obligations under the Contract except as specifically approved by the Town; or (h) fails to comply with any other term or condition contained in the Contract, the Town shall have the right to terminate the Contract upon ten (10) days written notice to the Contractor.

ARTICLE 7
ADDITIONAL PROVISIONS

7.1 Conflicts. In the event that any provision of any other Contract Document is as inconsistent with the terms of this Agreement as to be mutually exclusive, then the terms of this Agreement shall control.

7.2 Pre-Conditions. The Contractor acknowledges that it has examined to its satisfaction, all conditions relating to the work to be performed and all Specifications and has had ample opportunity to review and examine the premises at which services will be performed and has not relied upon any oral representation of any Town official or employee concerning site condition or job requirements.

7.3 Knowledge of Laws. The Contractor acknowledges that it is familiar with all federal and state laws and all local By-laws, Ordinances and Regulations which in any manner affect those engaged or employed on the Work, or the equipment used in the Work, or in any way affect the conduct or the Work, and no claim of misunderstanding or lack of knowledge of the same will be considered a basis for terminating the Work or amending this Agreement.

7.4 Discrepancies. If, at any time, the Contractor shall determine that there are discrepancies, omissions, ambiguities or conflicts in or among the Contract Documents, or that any provision conflicts with any law, regulation or code, the Contractor shall immediately notify the Project Coordinator. If the Project Coordinator determines that clarification is necessary, such clarification shall be made in writing as an addendum to this Agreement and shall be signed by the parties. No verbal instructions or interpretations shall be deemed valid.

7.5 Governing Law. This Agreement and any other Contract Document shall be governed by and interpreted under the laws of the State of Connecticut. If any provision of this Agreement or any other Contract Document is found to be invalid or unenforceable by any court, the same shall not affect the remainder of the Agreement or other Contract Document, which shall remain in effect as if the invalid or unenforceable provision had not been included therein.

7.5.1 Dispute Resolution. The parties agree that any dispute under this Contract is to be resolved by binding arbitration under the rules of the American Arbitration Association before a single arbitrator with any hearing to be held in Tolland County, CT. The decision of the arbiter shall be binding on the parties and may be submitted to the Superior Court for the Judicial District of Tolland at Rockville for confirmation as a judgment pursuant to Chapter 909, CGS Sec. 52-408 to 52-423, which court shall have exclusive jurisdiction or venue in these matters. Unless otherwise mutually agreed, each party is to pay its own expenses including attorney's fees and to share the cost of arbitration equally.

7.6 Captions. Captions used in this Agreement are for convenience only and are not intended to be limitations on, nor interpretations of, the specific provisions hereof.

7.7 Non-Assign ability. No assignment of the rights, obligations or interests by a party in this Agreement will be binding on the other party without its written consent and no such assignment shall release or discharge the assignor from any duty, obligation or responsibility under this Agreement or under any other Contract Document.

7.8 Contractor hereby agrees to defend, indemnify and hold harmless the Town, its agents, employees, officers and official from any and all claims, demands, liabilities, and lawsuits, including reasonable attorney's fees incurred thereby, resulting from or pertaining to any alleged violations by Contractor and any Subcontractors, if any, of any applicable federal, state laws, rules and regulations in effect and applicable to the Work, including without limitation any nondiscriminatory employment laws and the Immigration Reform and Control Act, or in connection with any claim of injury or damage caused by any of its agents or employees arising out of or in connection with the Work, which injury or damage is not caused by the negligent or willful act of a

town agent, servant or employee. The Contractor's obligations under this section shall not be limited in any way by any limitation on the amount or type of the Contractor's insurance.

7.9 Insurance. The Contractor will at all times maintain insurance policies in force in accordance with the requirements set forth in the Request for Proposal and provide the Finance Officer a certificate of such insurance naming the Town of Ellington as an additional insured.

7.10 Non-Discrimination. Contractor agrees and warrants that in the performance of the contract such Contractor will not discriminate or permit discrimination against any person or group of persons on the grounds of race, color, religious creed, age, marital status, national origin, ancestry, sex, gender identity or expression, mental retardation, mental disability, or physical disability, including, but not limited to, blindness, unless it is shown by such Contractor that such disability prevents performance of the work involved, in any manner prohibited by the laws of the United States or of the State of Connecticut. The Contractor further agrees to take affirmative action to insure that applicants with job related qualifications are employed and that employees are treated, when employed, without regard to their race, color, religious creed, age, marital status, national origin, ancestry, sex, gender identity or expression, mental retardation, mental disability, or physical disability, including, but not limited to, blindness, unless it is shown by such Contractor that such disability prevents performance of the work involved. The Contractor agrees, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, to state that it is an "affirmative action-equal opportunity employer".

IN WITNESS WHEREOF, the parties have executed this Agreement on the date stated above.

TOWN OF ELLINGTON

CONTRACTOR:

By _____
Lori Spielman
First Selectman

By _____
Duly Authorized