



Annual Independent Audit Request for Proposals

The municipality of Veazie invites qualified independent public accountants to submit proposals for the performance of an audit of its financial accounts and records covering the period July 1, 2009 through June 30, 2010, for a three year contract for the purpose of rendering an auditor's opinion regarding the fairness of applicable financial statements and compliance with the applicable legal provisions, in accordance with generally accepted auditing standards. The Town has been with the same auditing firm for many years and has no complaints or problems; we are merely following recommendations of the GAAS (Generally Accepted Accounting Standards) to review the possibility of a different auditor for the next three years. This decision will be based on the responses to this RFP, the cost of the auditing services, the experience and references of the firms responding. **The Council reserves the right to accept or reject any or all bids submitted.** The Town council will be the body reviewing the responses to this RFP and holding interviews and checking references. The Council will make the final decision on what firm to award the contract to for the next three years.

- A. GENERAL INFORMATION:** The municipality of Veazie is a municipal corporation of the State of Maine with an approximate population of 2025 residents and a total commitment of roughly \$5,016,807.71. The RSU assessment is \$2,647,153.30, the County Tax is \$232,729.43, the TIF district is \$1,046,562.90, and the sewer appropriation is \$140,000. The mil rates for both 2008-2009 and 2009-2010 fiscal years was .019. The Town operates on a fiscal year budget with the following departments Police, Fire, Public Works, Park and Recreation and Administrative. The Fire Department is unionized.

The most recent audit of the municipality was performed in July 2009 for the periods of July 1, 2008 to June 30, 2009. A copy of the auditor's report has been included with this Request for Proposal. The accounting system in the municipality is comprised of ADS Profund Sequel and the receipting and assessing are on TRIO.

- B. AUDIT SPECIFICATIONS:** Please indicate in your proposal if you agree to meet the following specifications. Explain any exceptions.

1. The audit shall be conducted in accordance with Generally Accepted Auditing Standards.
2. The audit shall be a financial and compliance review of all accounts and funds of the municipality listed in Section A of this RFP.
3. The audit firm shall submit a written report, containing an expression of opinion regarding the financial statements of the municipality.
4. The audit shall cover the fiscal year starting July 1, 2009 and ending June 30, 2010.
5. The audit firm will submit a management letter, which shall identify management and internal control weaknesses, if any, and propose steps to correct them.
6. The audit firm is also expected to assist the municipality in the preparation of the financial statements and supplementary schedules in accordance with Generally Accepted Accounting Principles.
7. The audit shall be conducted to satisfy the requirements of the State of Maine Department of Audit and Title 30-A M.R.S.A. § 5823.
8. The municipality views its engagement of an audit firm as an ongoing professional relationship in which the firm is expected to provide consultation services as required for auditing accounting and other financial management concerns throughout the year. Twenty (20) hours annually, which will include meeting with Staff, Budget Committee at meetings and the Town Council at meetings.
9. The audit firm shall provide twenty (20) copies of the auditor's report, the financial statements and schedules, and the management letter within 120 days after the close of the fiscal year.
10. The audit firm may perform additional compliance audits such as; General Revenue Sharing Funds in accordance with requirements of the Office of Revenue Sharing and submit a written report on compliance with those regulations.

C. INSTRUCTIONS FOR PROPOSALS: Twelve (12) copies of your sealed proposals will be accepted by the Town Manager, William Reed, until May 14, 2010 at 4:00 pm. Please clearly label all envelopes "Auditing Services RFP." The Town Manager will open bids at that time. All bids shall either be delivered in person or mailed. No faxed or email bids will be accepted. We hope to award the auditing services at the regular Council Meeting on June 7, 2010.

Your proposal must include the following information at minimum:

1. A brief description of your firm and its municipal experience and a description of the senior personnel to be assigned to the engagement, including their resumes and references.

2. A brief description of the audit procedures to be followed, presented in a form which will aid in evaluating your firm's understanding of local governments and their financial problems.
3. Your proposal must indicate the maximum total fee your firm will charge for the requested services. The 1-10 Audit Specifications, Final payment shall become due only after the submission and acceptance of all required reports.

D. EVALUATION: The municipality shall evaluate the proposals on the basis of the qualifications, experience, and audit plan of the audit firms, as well as the estimated cost of the engagement.

E. FURTHER INFORMATION: Audit firms requiring additional information or clarification should contact the municipality. Any inquires should be directed to the Town of Veazie, William Reed, 1084 Main Street, Veazie, ME 04401 or by telephone at (207) 947-2781.

Sincerely,

Julie D. S. Reed
Deputy Treasurer
Town of Veazie