



*Flagg Rochelle*  
COMMUNITY PARK DISTRICT

# **Request for Proposal for Auditing Services**

Flagg-Rochelle Community Park District

735 N. 2<sup>nd</sup> Street  
Rochelle, IL 61068  
(815) 562-7813

Issued October 1, 2018





**Flagg Rochelle**  
COMMUNITY PARK DISTRICT

**REQUEST FOR PROPOSAL  
AUDITING SERVICES  
FOR  
FLAGG-ROCHELLE COMMUNITY PARK DISTRICT**

Flagg-Rochelle Community Park District invites independent Certified Public Accounting firms licensed in the State of Illinois to submit proposals for auditing services for the years ending April 30, 2019, April 30, 2020 and April 30, 2021.

**REQUEST FOR PROPOSAL SCHEDULE**

- Mail Request for Proposals: Week of November 12, 2018
- Deadline for Submission: December 10 at 3:00 P.M.
- Park Board Approval: December 17, 2018

All inquiries regarding this proposal should be made in writing to:

Jackee Ohlinger  
Executive Director  
735 N. 2nd Street  
Rochelle, IL 61068  
815-562-7813  
johlinger@rochelleparkdistrict.org

**SCOPE OF AUDIT**

The Flagg-Rochelle Community Park District is requesting an audit of the financial statements of the governmental activities, each major fund and the aggregate remaining fund information, schedules and statistical tables as of and for the years ending April 30, 2019, April 30, 2020 and April 30, 2021. Previous financial statements can be provided. All audits shall be made by independent auditors in accordance with U.S. generally accepted auditing standards, Government Auditing Standards and the Municipal Auditing Law.

All audit work must be performed by audit staff of the proposing firm; no audit work is to be performed by subcontractors.

The Audit document shall be prepared in both hard copy, bound format and in searchable PDF format (saved from MS Word as a .pdf document, not scanned) to be supplied electronically.



### **SERVICES REQUIRED**

The auditor shall prepare the following reports:

- Annual Audit Report consistent with prior year.
- Supplementary schedules consistent with prior year report.
- Annual Federal Financial Compliance Section Report (Single Audit) consistent with prior year's report, if applicable.
- Management letter for the Park District.
- All additional reports, as may be required to be submitted, to any other state or federal regulatory agency.

The audit firm will be available to answer questions as they arise.

Tentative drafts of all reports shall be submitted to the Executive Director prior to final preparation. A meeting shall be held to review these tentative drafts within ten days after their receipt. The final audit reports shall be completed by August 15, 2019 (for fiscal year 2019 audit), August 15, 2020 (for fiscal year 2020 audit) and August 15, 2021 (for fiscal year 2021 audit) unless by mutual agreement a later date is determined.

The auditor shall be required to prepare and submit a management letter in connection with the audit. The purpose of the letter shall be to make known recommendations of the auditor, which if implemented, would in the auditor's opinion, increase efficiency, improve internal accounting control and assist in effective accounting procedures.

Audit work papers shall remain in the custody of the auditor; however, the Executive Director and succeeding independent auditors shall be given access to audit work papers and shall have the right to copy such work papers pertaining to audits for the fiscal years 2019, 2020 and 2021 for a period of up to 5 years after the audits have been completed.

Following the completion of the audit, the firm will be available to meet with the Park Board for review of the audit and the management letter. Board meetings are usually at 6:30 P.M. on the third Monday of each month. The review of the audit report is typically conducted at the first September Park Board Meeting.



### **QUALIFICATIONS**

Proposals will be accepted from firms with demonstrated experience and competency in municipal auditing. The minimum qualifications for firms submitting proposals are:

- The audit shall be conducted under the supervision of a licensed Certified Public Accountant experienced and knowledgeable in Illinois municipal auditing. The senior field auditor must have three to five years of actual experience in supervising a municipal audit. Senior field auditor must be on site during audit.
- The firm must have demonstrated efforts to keep its staff current in the industry and in governmental organizations by active participation in such organizations.
- The firm must be members of the AICPA, the AICPA's Governmental Audit Quality Center, and the Illinois CPA Society.
- The firm must meet the continuing professional education requirements of *Government Auditing Standards*.
- The firm must provide a copy of its most recent peer review report.
- The auditor does not have a record of substandard work. The proposal must disclose any enforcement action to which the firm has been subject during the past three years or which is in progress.
- The firm must provide the names, titles, addresses, and phone numbers of **at least 5 Park District or municipal clients** for whom the firm has performed audits within the last 2 years **similar in scope and reporting as those required by the Park District.**
- The firm must have existing engagements with at least 5 Illinois government agencies.

### **ASSISTANCE AVAILABLE TO PROPOSERS**

Flagg-Rochelle Community Park District has an excellent staff, as well as the staff of WipFli LLP in Dixon, that will be invaluable to the selected firm. In past years, The Park District has presented the auditor with a general ledger that is reconciled on a monthly basis and is in balance. Invoices and all schedules will be readily available and in a format that will be conducive to accomplishing a thorough and efficient audit.

Knutte & Associates was engaged to perform the Park District's annual audit for the year ended April 30, 2018. The prior audit work papers will be available for inspection to the selected firm at the office of Knutte & Associates.



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The Park District and WipFli closes and balances all accounts at year-end. The Park District's accounting system is operated on a fund basis using the cash basis of accounting. Copies of trial balances and assistance from WipFli staff will be available to the selected firm.

## **EVALUATION OF PROPOSALS**

The proposals will be reviewed and evaluated by the Finance Committee and the Executive Director. The top candidates may be invited to participate in oral interviews. The proposals will be evaluated on the following criteria:

- Understanding of the audit engagement
- Accessibility and ability to respond to City needs in a timely manner
- Acceptability of audit approach
- References of firm
- Qualifications and technical experience of firm in Illinois municipal audits
- Qualifications of assigned individuals in Illinois municipal audits
- Audit schedule
- Fees

Firms submitting proposals will be informed of the Park District's selection on December 18, 2018 provided the Park Board acts on the audit selection at its scheduled December 17, 2018 Board Meeting.

*The Park District reserves the right to reject any and all proposals submitted, and to ask for more details or further clarification of any proposal, and select the proposal that best meets the needs of the Park District.*

## **PROPOSAL FORMAT**

Responses to the RFP must contain the following:

### **Title Page:**

Include the firm's name, address, and name and telephone/fax number of contact person.



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## **Letter of Transmittal:**

Briefly state your understanding of the work to be done and make a positive commitment to perform the work within the time period specified. State the names of the person(s) who will be authorized to make representations for the firm, their titles, addresses and phone numbers.

## **Scope and Timing of Proposed Services:**

Express understanding of the scope and timing of the work to be performed as well as the reports to be delivered and the Park District's requested timing of delivery of the reports. Provide the level of assurance your firm is proposing with respect to the Auditor's Opinions.

## **Profile of the Firm:**

Provide an overview of your firm, size, location and experience of the firm. State whether or not the firm is independent from the Park District.

Provide the firm's license number to practice in the State of Illinois.

State whether the firm and its proposed audit staff meet the continuing professional education requirements of the General Accountability Office's *Government Auditing Standards*.

Express whether or not the firm or its partners or shareholders have been subject to any disciplinary action of the State of Illinois, the Illinois CPA Society or the AICPA. Disclose any enforcement action to which the firm has been subject to during the last three years or which are currently in progress.

Describe the firm's external quality review process and results and provide a copy of the firm's most recent Peer Review Report.

## **Approach:**

Describe the firm's approach, including risk management, for the audit services.

Express agreement to meet the requirement of the engagement as stated in the Scope of Audit and Services Required sections of these guidelines. Provide descriptions of the audit approach, and illustrations of the procedures to be employed.

Provide a tentative schedule for performing key phases of the audit and estimated number of hours for each level of staff necessary to complete each phase of the audit.

## **Summary of Firm's Qualifications:**

Describe the firm's experience, reputation and skills to provide the services requested. Identify the supervisory level personnel who will work on the proposed services, including staff from



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other than the local office. Resumes for each supervisory person to be assigned to the audit should be included.

Describe the firm’s staffing approach to provide quality service and continuity of personnel.

Provide results from client surveys for last three years.

Provide a list of Cities or Park Districts that are similar in scope and reporting for which the firm has provided similar service. Please provide a list of clients who may be contacted for references.

### **FEES**

The proposal shall contain a maximum fee for each fiscal year in accordance with the detailed description of services required. Firms have the flexibility to propose whatever method of compensation that would be to the best mutual benefit of the Park District and the firm. An equitable adjustment in the proposed fee shall be negotiated if the cost or the time required for performance of the audit service is increased or decreased pursuant to a change in scope of the audit requested by the Park District or provisions to the effect that in the event disclosures in the audit indicate extraordinary circumstances which warrant more intensive and detailed services, the firm shall provide all pertinent facts relative to the extraordinary circumstances together with the firm’s estimate of the cost of additional services to the Park District . The fee proposal is for a three-year proposal.

**Three Year Quote:** \_\_\_\_\_

	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>
Audit Total	\$	\$	\$



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**INSTRUCTIONS FOR SUBMITTING PROPOSALS**

Two (2) copies of the proposal are to be provided either by mail or hand-delivered

**Sealed proposals must be submitted no later than 3:00 P.M. on December 10, 2018 to:**

Flagg-Rochelle Community Park District  
Attn: Jackee Ohlinger  
Executive Director  
735 N. 2nd Street  
Rochelle, IL 61068  
(815) 562-7813

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