



City of Holly Springs

3237 Holly Springs Parkway
P.O. Box 990
Holly Springs, GA 30142
www.hollyspringsga.us

REQUEST FOR PROPOSALS For External Audit Services

**RFP NUMBER
2018-02**

For all questions about this RFP contact:
Robert H. Logan
City Manager/Finance Director

RELEASED ON:

December 4, 2018

DUE ON:

January 4, 2019 4:00 P.M. Eastern Time

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1.0 INTRODUCTION

1.1 Purpose of Proposal

The City of Holly Springs is accepting proposals from qualified independent certified public accounting firms to provide auditing services and issue an opinion on the City's financial statements and where appropriate other financial reports.

A five member City Council and a Mayor govern the City of Holly Springs. The City is administered by a City Manager who reports directly to the Council and Mayor. The City Manager directs and oversees the activities of the City department heads. The City of Holly Springs is a rapidly growing City with a projected 2017 population of 11,235. The City of Holly Springs currently has 51 full-time employees.

The entities to be audited include all departments of the City and the Holly Springs Downtown Development Authority (DDA). The DDA is a discretely presented component unit of the City. The City of Holly Springs currently has the following major governmental funds:

- General Fund
- SPLOST IV Fund
- SPLOST V Fund

The City of Holly Springs currently has one major proprietary fund:

- Stormwater Fund

The City of Holly Springs currently has the following nonmajor funds:

- Multiple Grant Fund
- Parks and Recreation Fund
- Hotel/Motel Tax Fund
- SPLOST III Fund
- Town Center Fund
- Debt Service Fund

The City of Holly Springs also has one agency fund:

- Municipal Court Fund

Interested parties must submit proposals (3 bound copies and 1 unbound copy) to the City of Holly Springs Finance Department by the due date for their proposals to be considered.

1.2 Schedule

This Request for Proposals is scheduled as follows:

December 4, 2018	Release of RFP
January 4, 2019	Proposals due date
January 24, 2019	Contract award
Upon Contract Award	Contractor begins work

1.3 Communications with Staff

All questions about this RFP must be submitted to the City Manager/Finance Director:

Robert H. Logan
3237 Holly Springs Parkway
P.O. Box 990
Holly Springs, Georgia 30142
(770) 345-5536

1.4 Contract Term

The contract term is a four (4) year contract with an optional two (2) year extension. Renewal periods will be based on the calendar year period beginning January 1 and ending December 31. Renewal will depend upon annual budget funding appropriation by the City Council, and Contractor's performance.

This Contract shall not be deemed to create a debt of the City for the payment of any sum beyond the fiscal year in which the budget appropriations have been made. If an annual budget appropriation is not made by City Council, the contract is deemed to be terminated between all parties without recourse related to non-appropriation.

2.0 SCOPE OF WORK

2.1 Type of Audit and Audit Objectives

Proposals are requested for an examination and the expression of an opinion on the fair presentation of the financial statements of the governmental activities, business-type activities, discretely presented component unit, each major fund and the aggregate remaining fund information of the City. The examination must be performed in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing*

Standards, issued by the Comptroller General of the United States. It must also meet the requirements of the applicable laws of the State of Georgia.

The auditor shall also be responsible for performing certain limited procedures involving supplementary information required by the Governmental Accounting Standards Board as mandated by generally accepted auditing standards.

2.2 Required Audit Reports

The City will require the following reports and/or services be completed by June 30 for each year of the audit contract:

- ❑ An Independent Auditor's Report on the fair presentation of the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City.
- ❑ An Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in accordance with *Government Auditing Standards*.
- ❑ A Schedule of Findings and Responses.
- ❑ A Schedule of Projects Constructed with Special Purpose Local Option Sales Tax in compliance with the Official Code of Georgia Annotated (OCGA) §48-8-121.
- ❑ Required Supplementary Information including a Schedule of Changes in Net Pension Liability, Schedule of City Contributions and a Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund.
- ❑ Recommendations for improving the City's accounting procedures, internal controls and related areas.

The auditor should develop recommendations during the course of the examination. Areas in need of improvement should be communicated verbally to the City Manager/Finance Director and a draft letter shall be submitted to the City Manager/Finance Director at the conclusion of the audit fieldwork for review prior to submission to the Mayor and City Council.

Audit working papers are to be retained for at least seven years and are to be made available for examination by authorized representatives of the City of Holly Springs and other governmental agencies. Working papers are also to be available for review by successor auditors, and the audit firm shall respond to reasonable inquiries from a successor firm.

2.3 The Proposal Should Include

1. Firm Information - Firm name, address, telephone numbers and e-mail addresses, along with the names, addresses, telephone numbers and e-mail addresses of any sub consultants. If the firm has branch offices, state the office that will have management responsibility for the work to be performed
2. Summary of your understanding of the services and your approach
3. Experience of any sub-contractors/consultants. Include an annotated list of related work completed or in progress
4. Summary of the qualifications of all key personnel assigned to this service. A complete listing of all of the firm's owners, employees or contract employees as applicable
5. Annotated list of references (with addresses, telephone numbers and e-mail addresses), including references for sub-contractors
6. Lump Sum Service Fee Proposal, including projected Reimbursable Expenses, in a sealed envelope with the RFP
7. Must be in good standing with the American Institute of Certified Public Accountants (AICPA)
8. A copy of the firm's Liability Insurance
9. List of clients for which the firm performs similar work
10. Systematic Alien Verification for Entitlements (SAVE) Affidavit
11. Georgia Security & Immigration Compliance (GSIC) Act Contractor Affidavit and Agreement
12. Copy of the firm's most recent peer review report

A clear, concise proposal in the specified proposal format is requested with all the necessary information included.

Address proposals to:

City of Holly Springs
Attn: Robert H. Logan
3237 Holly Springs Parkway
P.O. Box 990
Holly Springs, GA 30142

Please **indicate the RFP Number** on the outside of the envelope.

2.4 Specifications, Terms and Conditions

1. The City of Holly Springs hereby requests proposals for the service inclusive of an audit of the City's annual financial report.
2. The term of this full service contract shall be for a period of four (4) years, commencing on a mutually agreeable date and ending four years later. The contract may be extended an additional two (2) years by agreement of both parties.
3. The City of Holly Springs reserves the right to evaluate the firm's qualifications. Only those firms who, in the opinion of the City of Holly Springs, meet the minimum necessary qualifications will have their price and contract/agreement proposal evaluated.
4. License Requirements: Firms shall furnish with the proposal documents a copy of the appropriate certification.
5. Termination: The contract will be subject to the terms and conditions included in the Service Agreement. The City of Holly Springs reserves the right to cancel due to nonperformance or violation of contract terms.

3.0 OTHER ITEMS

3.1 Confidentiality

Service provider on behalf of itself and its employees agrees to keep confidential all records and other information with respect to the City of Holly Springs, its citizens and customers. However, if the service provider is required to produce any such information by order of any governmental agency, other regulatory body or as required by the Georgia Open Records Act, it may, upon not less than three (3) days written notice to the city, release the required information.

3.2 Data Ownership

All records, data, files, input materials, reports, forms and other data received, computed, developed, used and/or stored pursuant to this agreement are the exclusive property of the City of Holly Springs. All such records and other data shall be furnished without additional charge, except for the actual processing costs, to the City of Holly Springs in available machine-readable form promptly upon termination of this agreement for any reason whatsoever. Furthermore, upon the City of Holly Springs' request at any time or times while this agreement is in effect, service provider shall promptly deliver to the City

of Holly Springs at no additional cost, any or all of the data and records held pursuant to this agreement, in the form as requested by the City of Holly Springs.

3.3 Rejection of Proposals/Cancellation of RFP

The City reserves the right to reject any or all proposals, to waive any irregularity or informality in a proposal, and to accept or reject any item or combination of items, when to do so would be to the advantage of the City. It is also within the right of the City to reject proposals **that do not contain all elements and information requested in this document**. The City reserves the right to cancel this RFP at any time. The City will not be liable for any cost/losses incurred by the Offerors throughout this process.

3.4 Proposal Withdrawal

A submitted proposal may be withdrawn prior to the due date by a written request to the City Manager/Finance Director. A request to withdraw a proposal must be signed by an authorized individual.

3.5 Cost for Preparing Proposals

The cost for developing the proposal is the sole responsibility of the Offeror. The City will not provide reimbursement for such costs.