

LOWER MAKEFIELD TOWNSHIP

Request for Proposals and Qualifications for Township

Auditor Minimum Qualifications

Applicant vendors must establish that they meet the minimum qualifications

PURPOSE AND INTENT

Through this Request for Proposals (RFP), Lower Makefield Township seeks to engage a respondent as Township Auditor for Lower Makefield Township upon appointment.

PROPOSAL SUBMISSION

Responses should be submitted electronically in PDF format to the following person via email:

David W. Kratzer, Jr.
Township Manager
1100 Edgewood Road
Yardley, PA 19067
(267) 274-1100
dkratzer@lmt.org

The proposal must be received no later than Monday, February 19, 2024 by 4:00pm.

Any inquiry concerning this RFP should be directed to:

Alison Stewart
Assistant Finance Director
1100 Edgewood Road
Yardley, PA 19067
(267) 274-1199
astewart@lmt.org

All documents/information submitted in response to this solicitation shall be available to the general public. Lower Makefield Township will not be responsible for any costs associated with the oral or written and/or presentation of the proposals. Lower Makefield reserves the right to reject any and all proposals, with or without cause, and waiver any irregularities or informalities in the proposals. Lower Makefield Township also reserves the right to negotiate with all qualified sources, or to cancel in part or in its entirety the RFP when the township determines that such action is in its best interests.

Lower Makefield further reserves the right to make such investigations as it deems necessary as to the qualifications and any, and all respondents submitting proposals, with or without cause, and waiver any irregularities or informalities in the proposals. Lower Makefield Township also reserves the right to negotiate with all qualified sources, or to cancel in part or in its entirety the RFP when the township determines that such action is in its best interests.

GENERAL INFORMATION

Lower Makefield Township is a Pennsylvania Second-Class Township located in Bucks County, Pennsylvania. The Township has a five-member Board of Supervisors and an appointed Manager. The Township of Lower Makefield is approximately 18.28 square miles with an estimated population of 33,259, an annual General Fund budget of approximately \$16 million and 85 full-time employees and approximately 150 part-time/seasonal employees. The Board of Supervisors meets the 1st and 3rd Wednesday of each month as well as special meetings on an as-needed basis.

The Township desires the auditor to express an opinion on the fair presentation of its basic financial statements in accordance with the modified accrual basis of accounting.

Lower Makefield is seeking proposals for auditing services for the years ending December 31, 2023, 2024, and 2025.

SCOPE OF WORK

Conduct audits with the objectives of issuing full reports for the calendar years of 2023, 2024, and 2025. This comprises approximately 2,700 journal transactions, which includes; accounts payable, cash receipts and journal entries. Each year the Township processes approximately 3,000 checks, 300 daily cash deposits, 200 ACH deposits of various tax receipts, and state grant monies, and 2500 accounting software transactions including A/P, Cash receipts and journal entries.

Audits and prepares IRS Form 990 for the Lower Makefield Community Foundation. This is an affiliated non-profit with approximately \$220,000 currently in the fund. There are approximately 35-40 donations made annually with approximately 10 checks or withdrawals annually.

Complete the Pennsylvania Department of Community and Economic Development (DCED) audit report and file it with the DCED and Bucks County by the state deadline as required by the Second-Class Township Code.

Provide to the Township by April 1st of each year the Concise Financial Statement for publication.

The following are the Township funds and the audit will include all funds:

- General Fund
- Street Light Fund
- Fire Protection Fund
- Hydrant Fund
- Parks and Recreation Fund
- Parks and Recreation FIL Fund
- Recreation Capital Fund
- Sewer/Sewer Capital Fund
- Pool Fund
- Traffic Impact Fund
- American Rescue Plan Act Fund
- Sewer Sale Proceeds Fund
- Golf Bond Repayment Fund

- Golf Course Fund
- Golf Capital Projects Fund
- 2016 Bond Proceeds Fund
- Special Projects Fund
- Debt Service Fund
- Regency Bridge Fund
- Capital Reserve Fund
- Pool Capital Reserve Fund
- Tree Bank Fund
- Liquid Fuels Fund
- Road Machinery Fund
- Sidewalk FIL Fund
- 9/11 (GOR) Memorial Fund
- Garden of Reflection Capital Reserve Fund
- Patterson Farm Fund
- Ambulance Fund

The Township Manager and staff are responsible for providing all financial records and related information to the auditing firm and are responsible for its accuracy. The Township will provide an appropriate and suitable work area with access to the copier, telephone, fax, and wireless internet service.

The audit shall be conducted in accordance with United States Generally Accepted Auditing Standards and Generally Accepted Accounting Principles and promulgations of the Government Accounting Standards Board. The auditor shall communicate to management and the Board of Supervisors any significant deficiencies or material weaknesses that became known during the course of the audit.

The auditors shall provide notification to the Board of Supervisors of any difficulties encountered during the audit, any fraud or material misstatement concerning the finances, illegal acts and any matters related to the financial statements or accounting practices.

Upon completion of the audit, the auditor shall issue a report concerning the fair presentation of the financial statements in conformity with the modified accrual basis of accounting. Any irregularities must be reported immediately to the Township Manager and the Board of Supervisors. Any suggestions for improvement shall be submitted to the Township Manager by issuance of a Management Letter. The audit shall be completed no later than July 1st. The auditor shall present the audited financial statements to the Board of Supervisors at a public meeting no later than the third Thursday of the month of June of each year.

Additional Services

It is expected that the firm retained be available throughout the year for routine questions concerning accounting issues, procedures, GASB statements, and other financial matters as appropriate at no additional cost.

Any specialized grant reporting requirements beyond the scope of this RFP will be negotiated separately, as well as any special consulting projects that may be necessary.

Qualifications

Minimum qualifications for all respondents are as follows:

1. Currently licensed in the Commonwealth of Pennsylvania to practice as Certified Public Accountants.
2. Practicing as a Certified Public Accountant for a minimum of five (5) years prior to the date of their proposal.
3. Performed auditing services for municipal government units in Pennsylvania for a minimum of five (5) years prior to the date of their proposal.
4. Currently a member of the American Institute of Certified Public Accountants and the Pennsylvania Institute of Certified Public Accounts and adhere to the professional standards of audit practices and conduct.
5. The ability to obtain and provide to the Township a certificate of insurance for liability and worker's compensation coverages for any staff, employees, agents, etc. of the firm prior to the start of any work at Township facilities.
6. Each bidder is required to state if it has ever been debarred, fined, or had a contract terminated by any federal, state, or local government or private entity. If any of the previous has occurred, please provide details of such matter with the proposal.

Proposal Elements

The following are required elements to be submitted with all proposals. Information in addition to the following may also be included:

1. Firm Qualifications and Experience - Describe any factors that are relevant to your ability to successfully perform this engagement. At minimum, include detail of the firm's governmental experience, the size of the firm, the size of the firm's governmental auditing staff, affirmation that the proposer is a CPA or firm of CPAs and meets the independence standards of the General Accounting Office's Government Auditing Standards, and affirmation that the firm and all assigned key professional staff are properly licensed to practice in Pennsylvania.
2. Specific Audit Approach- Set forth a work plan, including an explanation of the audit methodology to be followed, to perform the services required in this RFP.
3. Staffing - Provide the number and level of all auditing staff to be assigned to this engagement. Also, estimate the expected number of hours at each level, at least for the first year.
4. Audit Team Qualifications and Experience - Identify the audit staff that is to be assigned to this engagement and describe their relevant qualifications and experience. Include a breakdown of the percentage of work that will be performed by each staffing level; (i.e., how much time each for partner, supervisor, director, etc. that will work on the audit).

5. Similar Engagements with Other Government Entities - List the five most similar engagements performed in the last five years that are comparable to the engagement described in this RFP, and indicate the years covered by those engagements. For each of the five clients listed, provide the primary audit contact's name and contact information.
6. Peer Review - Include a copy of your most recent Peer Review report.
7. Transmittal Letter signed by an authorized representative of the firm who may enter into a service agreement on behalf of the firm.
8. A Work Plan with a schedule indicating when the data should be available from the Township staff, when the audit will be completed and required reports submitted.
9. Indemnification to hold Lower Makefield Township harmless for any claims, losses or damage arising out of the performance of the work.
10. Price quote to perform the audit in compliance with the required services.
11. Contact Person - Provide contact information in case it is necessary for the Township to request additional information related to your proposal.

2. QUESTIONS FOR PROSPECTIVE BIDDERS

- a. A copy of the Commonwealth of Pennsylvania Business Registration Certificate.
- b. A copy of the Certificate of Insurance for general liability, professional liability and worker's comp.
- c. Copy of Equal Opportunity Employment policy.
- d. Copy of Americans with Disabilities Act policy.
- e. Disclosure of Political Contributions (last five years) to candidates and/or campaigns in Lower Makefield Township
 - i. Any amount in currency.
 - ii. Any other monetary or in-kind (goods or services) contributions in excess of \$250 in the aggregate from one source.
- f. List all contracts held and monetary value with Lower Makefield Township in the last five years.
- g. List all contracts held and monetary value with other municipalities in Bucks County in the last five years.
- h. List all contracts held and monetary value with public entities in Bucks County in the last five years.
 - i. Have any of your employees previously or currently work for Lower Makefield Township? If so, please provide names and dates of employment.
 - j. Do any of your staff have family members that have or currently work for Lower Makefield Township? If so, please provide names and dates of employment.
- k. Provide a list of all lawsuits against your firm within the last five years. Include name, date and description of lawsuit. If an outcome was reached, please provide description and any associated monetary values.
- l. Has your firm been found to be in violation of any Federal, State, or local laws or regulations in the last five years? If so, please provide a description of each violation and associated remedy and/or action taken.

3. REQUIREMENT FOR BID SUBMISSION

PLEASE NOTE that the Township shall not consider a Response to this Request for Proposals where the Prospective Professional Service Provider makes a contribution to the Political Action Committee (PAC) of any sitting member of the Lower Makefield Township Board of Supervisors within a period of ninety (90) days immediately prior to the submission of its response.

4. INTERVIEW

The Township Manager and/or the Board of Supervisors reserve the right to interview any and all of the respondents submitting a proposal. Although interviews may take place, the proposal should be comprehensive and complete on its face. Lower Makefield Township reserves the right to request clarifying information after submission of the proposal.

5. SELECTION PROCESS

All proposals will be reviewed by the Township Manager and/or Board of Supervisors to determine responsiveness. Non-responsive proposals will be rejected without evaluation. For respondents that satisfy the Minimum Qualifications, and the Mandatory Contents of Proposal the Township's evaluation will include but not be limited to the following evaluation criteria, separate or combined in some manner, and not necessarily listed in order of significance:

- a. The respondent's general approach to providing the services required under this RFP.
- b. The respondent's municipal experience and to the engagement addressed by this RFP.
- c. The qualifications and experience of the respondent's management, supervisory or other key personnel assigned to the engagement, with emphasis on municipal experience and to the services required by this RFP.
- d. The overall ability of the respondent to mobilize, undertake and successfully complete the scope of work in a timely fashion. This criterion will include, but not be limited to, the following factors: the number and qualifications of management, supervisory and other staff proposed by the respondent to perform the services required by this RFP; the availability and commitment to the engagement of the respondent's management, supervisory and other staff proposed.
- e. Costs and fee schedules.
- f. Other criteria as deemed appropriate by the Lower Makefield Township Board of Supervisors.

6. SELECTION AND CONTRACT

Lower Makefield Township will select the respondent deemed most advantageous to the Township, with price and other factors considered. The resulting contract will include this RFP, any clarifications or addenda thereto, the selected respondent's proposal, and any changes

negotiated by the parties. Lower Makefield Township shall not be required to appoint the lowest cost respondent.

7. FILES

At the termination of this engagement, the auditor shall promptly return to the township all files complete with all documents, memos, legal research notes, correspondence and all other material contained therein including but not limited to electronic data, at no cost to the Township.

8. EXCEPTIONS

Any exceptions to terms, conditions, or other requirements in any part of this RFP must be clearly pointed out in the respondent's proposal. Otherwise, the Township will consider that all items offered are in strict compliance with this RFP, and the successful respondent will be responsible for compliance.

9. QUESTIONS/CLARIFICATIONS:

All official questions and/or clarifications shall be directed via email to the person noted below by Monday, February 19, 2024 at 4:00pm. Questions raised after this cut-off will remain unanswered.

David W. Kratzer, Jr.
Lower Makefield Township Manager
Yardley, Pa 19067
Phone: (267) 274-1197
dkratzer@lmt.org

Questions may be answered in writing and distributed to all firms.

10. AUTHORITY TO DISTRIBUTE RFP PACKAGES:

The Township Manager's office is the sole entity authorized to provide this RFP package to interested companies or individuals.