

**VILLAGE OF CRESTWOOD
REQUEST FOR PROPOSALS
AUDITING SERVICES**

The Village of Crestwood is requesting proposals for the services of a qualified Certified Public Accounting firm to conduct the Financial and Compliance Audit of the Village's operations.

Services will include, but are not limited to:

- Planning and performing the audit
- Performing tests of documentary evidence
- Evaluation of Internal Controls
- Management Letter(s) per Financial Report
- Letter of comments and recommendations in accordance with SAS 60
- Presentation of findings before the Village Board of Trustees
- Preparation of GASB34 Financial Reports

I. Background

The Village of Crestwood is located approximately 25 miles southwest of the City of Chicago in the county of Cook. The Village of Crestwood provides a full range of municipal services, including administration and finance, public works, parks operations, planning and community development, public safety services, and recreation services. The Village operates under a Village Services Director, and the guidance of Village Board and Mayor. The Board is composed of six elected members and the position of Mayor is elected within the village. The Village Services Director is responsible for all Village functions. The Comptroller maintains all financial records. The Village of Crestwood has ten funds: the General Fund, three Tax Increment Financing funds: 135th Street, Route 83 and Midlothian Turnpike/Cicero, Motor Fuel Tax fund, two Debt Service funds, a propriety fund, and two fiduciary funds- Police and Fire Pension.

II. Auditing Standards

The financial statements are prepared to conform fully to Generally Accepted Accounting Principles (GAAP) and to be in full compliance with the Pronouncements of the Governmental Accounting Standards Board (GASB) and all federal and state statutes. The auditor's opinion will be directed toward the fairness of presentation of the financial statements in accordance with GAAP. The auditor will also provide all compliance reports as required under Federal and State law.

III. Audit Period and Term of Engagement

The proposal is for One year. The periods to be audited are the fiscal years ending April 30, 2023, 2024, and 2025. It is the intent of the Village Board to negotiate a three-year contract with the second and third year contingent upon successful completion of the first year of the contract as determined by Village Officials and Village Board

IV. Scope of Work

The annual audit shall begin no later than one hundred twenty (120) days after the close of the fiscal year. The Auditor will, as a part of this engagement, conduct the following activities utilizing the appropriate standards noted in Section II:

A. Plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free from material misstatement, whether caused by error or fraud;

B. Perform tests of documentary evidence supporting the transactions recorded in the accounts, which may include tests of the physical existence of inventories and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, creditors, and financial institutions;

C. Perform tests of the Village's compliance with applicable laws and regulations and the provisions of contracts and agreements;

D. Review the internal accounting controls of the Village to the extent necessary to evaluate the system as required by applicable standards;

E. Issue a Management Report making recommendations for improvements;

F. Inform the Village Services Director and Finance Director/Treasurer of any matters involving internal control and its operation that the Auditor considers to be reportable conditions under standards established by the American Institute of Certified Public Accountants;

G. Meetings and Progress Reports:

1.) Pre-audit conference(s) with Village Management and accounting staff will be held to discuss audit schedules, working paper requirements, and report deadlines, as well as the audit program.

2.) Progress report meetings will be held with key audit firm personnel and Village financial management staff at regular intervals mutually agreed upon.

3.) Post audit conference(s) with Village management and key audit personnel will be held at a mutually agreeable date.

4.) Audit firm management will present the financial report and management letter to Village Board each fall when the audit is completed. As well as provide an oral and written presentation at the agreed upon Board meeting.

H. Technical Assistance: As part of the overall audit contract, the Village expects to receive from the audit firm a variety of technical assistance throughout the fiscal year, including answers to accounting, reporting, and/or internal control questions;

I. Additional Services: proposals should contain provisions for dealing with extraordinary circumstances discovered during the audit that may require an expansion of audit work beyond that which was originally planned. In addition, the audit firm may be requested to perform special projects for the

Village during the year. Proposals should describe the types of services available from the firm, the professionals who would provide them, and the standard hourly fees to be charged for such services.

V. Mandatory Requirements

The audit firm must meet the following mandatory requirements: Contractor must be registered to do business in the State of Illinois; Principal Auditor must be a Certified Public Accountant qualified to perform municipal audits in the State of Illinois; Contractor must have experience in performing municipal audits in accordance with auditing standards generally accepted in the United States of America, preparing financial statements compliant with GASB34 and Illinois Budget Laws.

VI. Proposal Requirements

The proposal should demonstrate that the firm can furnish the services in a manner that will be cost effective for the Village of Crestwood. Those proposals, which do not contain all information required by this RFP or are otherwise nonresponsive, may be rejected immediately; however the Village has discretion to accept a proposal that does not conform with all RFP requirements if the Village determines that the non-compliance is not substantial or material. If a proposal is unclear, or appears inadequate, the Village may, at its discretion, give the firm an opportunity to explain how the proposal complies with the RFP.

The proposal must contain at least the following information:

- A. Name(s) and title(s) of the person(s) authorized to submit the proposal and execute the personnel services agreement.
- B. A letter, submitted on the firm's letterhead and signed by the corporate agent, owner, or principal, describing how the firm satisfies the mandatory requirements noted above and the firm's experience in performing municipal auditing in the State of Illinois.
- C. A history of the firm as a business or entity, including information that demonstrates the firm's financial stability and entity stability.
- D. Resumes of all audit team members, including tenure with the firm, title, degrees and certificates, and municipal audit experience. The audit team leader should be identified.
- E. A list of at least five (5) clients who can be contacted, complete with a description of the work performed for the client and the client's address, phone number and email. At least three (3) of the clients must be public entities.
- F. A proposed work schedule and work plan for completing the audit. The work schedule should be structured so as to deliver the audit to the Village Board no later than November 1.
- G. A fee schedule and estimated project cost, including out-of-pocket expenses and the estimated hours each audit firm employee is expected to spend annually on the audit.
- H. Your firm's billing rates for any applicable classifications of professional personnel and the method used in charging for any special requests, reports, or broadening of the scope of work.
- I. A copy of the firm's model/standard letter of engagement.

J. A sample of a management report recently issued covering an audit that has similar services and comparative size to the Village of Crestwood.

K. Any additional information that supports the scope of work to be provided as set forth above.

Proposers may submit additional questions and clarification requests to James Adducci, Comptroller at jadducci@crestwood.illinois.gov or by phone at 708-670-9284

Proposers shall refrain from initiating contact with Village representatives other than Mr. Adducci for the purposes of obtaining information for use in preparation of proposals. Firms may modify or withdraw their proposals at any time prior to the closing date by providing a written request for modification or withdrawal to the Village of Crestwood.

VII. Evaluation of Proposals

Proposals will be evaluated based on the scope of work and submission requirements listed above to determine which firm best meets the needs of the Village. After meeting these requirements, the following factors will be used to evaluate proposals:

- A. Quality and comprehensiveness of the audit approach
- B. Experience and knowledge with GASB 34 reporting requirements and auditing standards identified in Section II.
- C. Qualifications and experience of the firm and the members assigned to the Village's engagement.
- D. Ability to provide a comprehensive range of auditing and financial services.
- E. References and past experience
- F. Audit service costs

VIII. Proposal Submission

Submit to "Village of Crestwood, Audit RFP" via US Mail or hand delivery in a sealed envelope. Proposals will be accepted until 10:00 a.m. on Friday, April 21, 2023. Proposals received after the deadline will not be considered. It is the responsibility of the responding firm to insure that the proposal arrives on time at the right location. Bid opening will begin at 11:00 a.m. All proposals must be presented in a clearly marked package or envelope bearing the address:

**Village of Crestwood
Audit RFP
13800 South Cicero Ave
Crestwood, Illinois 60418**

Responding firms must include one copy of the completed proposal and other pertinent information. All services requested should be addressed. If a firm cannot provide a service, it should be clearly noted within the proposal.

The Village of Crestwood reserves the right to reject any or all proposals or to negotiate with responding firms any improvements or clarifications regarding specific portions of the proposal.