



REQUEST FOR QUALIFICATIONS

Product or Service	Audit Services
Department	Finance

IMPORTANT DATES

Solicitation Issue Date	3/9/2022		
Response Due Date	4/8/2022	Time	3:00 PM

Qualifications shall not be accepted after the designated response due date and time. It is the responsibility of vendors to submit qualifications at the designated location on or before the response due date and time. Qualifications received after the designated response due date and time shall be considered late and shall be returned to the vendor without further review.

Vendor agrees that any additional terms or conditions that conflict with requirements in the Request For Qualifications (RFQ), whether submitted intentionally or inadvertently, may cause the proposal to be rejected. If the City, in its sole discretion, determines that such a conflict applies to a material term of the solicitation, then the proposal shall be disqualified.

The City of Maumelle is an Equal Opportunity Employer and complies with the requirements of the Americans with Disabilities Act.

The City of Maumelle complies with all civil rights provisions of federal statutes and related authorities that prohibited discrimination in programs and activities receiving federal financial assistance. Therefore, the City does not discriminate on the basis of race, sex, color, age, national origin, religion or disability, in the admission, access to and treatment in City’s programs and activities, as well as the City’s hiring or employment practices. Complaints of alleged discrimination and inquiries regarding the City’s nondiscrimination policies may be directed to Doreen Mattes, Director of Human Resources – EEO/DBE (Title VI Coordinator), 550 Edgewood Drive, Maumelle, AR 72113, (501) 851-2784 ext. 233, or the following email address: dmattes@maumelle.org.

1. Brief Description

The City is looking for an independent audit firm (vendor) that will ensure the City's independent audit encompasses the fair presentation of the basic financial statements and ensures compliance with the Uniform Guidance of Federal Grant guidelines. This firm shall test internal control over financial reporting and identify any control weaknesses.

2. Definitions

2.1 The City has made every effort to use industry-accepted terminology in this Document and will further clarify any point or item in question as indicated in the Questions and Clarifications section.

2.2 Acronyms

A. AICPA	American Institute of Certified Public Accountants
B. CPA	Certified Public Accountant
C. GFOA	Government Finance Officers Association
D. ACFR	Annual Comprehensive Financial Report
E. GAS	Government Auditing Standards

3. Scope of Services

3.1 Goal

A. For an independent audit firm to audit the City's financial statements and grants, as well as evaluate internal controls.

3.2 Terms of Award

A. The term of the contract shall be for three (3) fiscal years. The 2020 & 2021 audits are both to be completed in 2022, with the 2022 Audit following in 2023.

B. Upon mutual agreement the contract may be extended for two (2) additional one (1) year terms or a portion thereof.

3.3 Problem Description

As authorized by Arkansas Code Annotated 14-58-101 the audit of every municipality shall be made by Arkansas Legislative Audit or other independent persons licensed and in good standing to practice accounting by the Arkansas State Board of Public Accountancy.

3.4 Description of the Reporting Entity

- The City of Maumelle was incorporated on June 20, 1985, as a political subdivision of the State of Arkansas and is located in the central part of the state.
- Maumelle currently occupies 12 square miles of land bordering the Arkansas River and serves an estimated population of 19,251.
- The City of Maumelle is formed in the Mayor-Council form of government. Policymaking and legislative authority are vested in a governing body consisting of the Mayor and eight Council Members. The Mayor is elected by

the city, at large, for a term of four years. The Council members are elected by the city in wards for staggering four year terms.

- The City of Maumelle provides a full range of services including police and fire protection; animal control; planning and zoning; sanitation services; parks and recreation; district court; public works and streets; and general administrative services.
- The reporting entity includes the City of Maumelle as the primary government. The City does not currently have any component units.
- The City has approximately 200 FTE's plus seasonal part-time employees which include non-represented employees and employees represented by two labor organizations.
- For the year ended December 31, 2019, the City reported revenue of approximately \$19 million for governmental activities and \$1.3 million for business-type activities.
- The City is expected to meet the requirements for Federal Single Audits throughout the length of the proposed contract.
- The City's governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. The government- wide and proprietary fund statements are reported under the economic resources measurement focus and the accrual basis of accounting.
- The City's fiscal year 2019 Annual Comprehensive Financial Report reported the following major funds:
 - Governmental:
 - Streets Special Revenue Fund
 - Debt Service Fund
 - Capital Projects Fund
 - Proprietary:
 - Sanitation Fund
 - Fiduciary
 - Maumelle District Court Fund
 - Administration of Justice Fund
 - In addition to the major funds, the City's aggregate non-major funds include the following Governmental Special Revenue funds, some of which were added in years 2020 & 2021:
 - Court Automation Technology Fund
 - Capital Improvement Fund
 - Police & Fire Fund
 - Grant Fund
 - FEMA Grant Fund

- COVID-19 Response Fund
- Drug Control Fund
- Act 833 Fund

Historical copies of the City's annual Financial Statements are located on the City's website at <https://www.maumelle.org/Archive.aspx?AMID=36>

3.5 Outcomes Desired

To issue the City's ACFR within 180 days of year end in order to submit it to the GFOA's Certificate of Achievement (COA) in Financial Reporting program and to publish it on EMMA in accordance with the City's continuing disclosure agreements for bond issues.

3.6 Minimum Qualifications

- A. The vendor shall be a certified public accounting firm whose principals are licensed to practice in the State of Arkansas.
- B. The auditor shall be independent as required by generally accepted auditing standards and the General Accounting Office's Governmental Auditing Standards.
- C. The auditor, who will serve as primary, shall have a minimum of ten (10) years' audit experience in auditing municipal government entities the size of Maumelle or larger.
- D. The auditor, who will serve as primary, shall have a minimum of ten (10) years' audit experience in auditing municipal government entities with both Defined Benefit Plans and Defined Contribution Plans (Police, Fire, Non-uniformed, and Deferred Compensation).
- E. The auditor, who will serve as primary, shall have a minimum of ten (10) years' audit experience in auditing municipal government entities with Other Post-Employment Benefits.
- F. The vendor firm shall have five (5) years' experience implementing new GASB standards such as GASB 54 (Fund Balance Reporting & Governmental Fund Type Definitions) and GASB 67 & 68 (Pensions) and GASB 87 (Leases).
- G. The auditor, who will serve as primary, shall have worked on ACFRs submitted to GFOA's Certificate of Achievement (COA) for Excellence in Financial Reporting program within the last five (5) years.
- H. The vendor shall have knowledge of Arkansas Municipal Finance.

3.7 Minimum Requirements

For fiscal years beginning with 2022:

- A. The vendor shall issue an Independent Auditor's Report beginning with the 2022 Fiscal Year Audit and for each successive year of the resulting contract. The report must be issued within 170 days after year end or be extended with the concurrence of the City's Director of Finance.
- B. The vendor shall issue an Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters in Accordance with GAS.

The report must be issued within 170 days after year end or be extended with the concurrence of the City's Director of Finance.

- C. The vendor shall issue an Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance. The report must be issued within 170 days after year end or be extended with the concurrence of the City's Director of Finance.
- D. The vendor shall issue an Independent Accountant's Report on Compliance with Certain State Acts. The report must be issued within 170 days after year end or be extended with the concurrence of the City's Director of Finance.
- E. The vendor shall ensure that a knowledgeable representative is made available to present the ACFR and the other audit reports to the Mayor and City Council and answer questions at the first regularly scheduled City Council meeting following the receipt of the audit report if the audit report is received by the governing body at least ten (10) days prior to the regularly scheduled meeting.

In 2021 the following timeline will be followed:

- The 2020 Audit work will need to be completed in May 2022 with all reports noted above received by June 10, 2022. The completed draft of the ACFR will be provided to the selected audit firm on or before June 3, 2022. The presentation to the City Council will be scheduled for June 20, 2022 at 6pm.
- The 2021 Audit work will need to be performed in July & August of 2022 with all reports noted above received by September 2, 2022. The completed draft of the ACFR will be provided to the selected audit firm on or before August 26, 2022. The presentation to the City Council will be scheduled for September 19, 2022 at 6pm.

4. Selection of Vendor

All responses will be scored on their technical proposals (qualifications in this case). Pricing information shall not be included in the technical proposals. Evaluation will be based on the overall responsiveness to the RFQ requirements and the references provided.

4.1 Proposal Elements

- A. The Proposal should outline the vendor's qualifications and proposed plan for addressing the requested service(s).
- B. Proposals should specifically address each of the elements listed below.
- C. Vendors should present their proposal in the same sequence and with the same numbering scheme and headings shown in this section.
- D. If the vendor believes that a subject has been adequately addressed in another part of the Technical Proposal, then a cross-reference to the appropriate part of the narrative shall be provided.
- E. Pricing information shall not be included in the Proposal.

1. Pricing information is defined as statements including, but not limited to the following:
 - a. “At no additional cost”
 - b. “Free of charge”
 - c. “For an additional fee”
2. Failure to follow this guideline in any manner shall result in disqualification of the proposal.

Vendor Qualifications
Is your firm a member of the Governmental Audit Quality Center? Provide proof.
Is your firm a member of the Employee Benefit Plan Audit Quality Center? Provide proof.
Is your firm a member of GFOA? Provide proof.
Provide three (3) references of similar entities and their names and contact numbers.
List the credentials of the managing partner of your firm & lead partner of this engagement and his/her credentials.
What would be your expected staffing and supervision levels of this engagement and list the team’s credentials.
Capability of The Vendor
What would be your audit approach?
What time frame would you complete this audit?
Does your firm have insurance coverage?
Does your firm meet the independence standards of the AICPA?
Has your firm been the subject of any AICPA or state CPA society ethics referrals?
How does your firm stay abreast of current auditing standards?
Past Performance
Attach your firm’s latest peer review and your firm’s response, if any.
Firm’s experience implementing or supporting clients in implementing new GASB standards.
How many clients has your firm audited over the last 5 years who have participated in GFOA’s Certificate of Excellence in Financial Reporting Program?
In the last five (5) years, has an organization failed to receive the GFOA Award for Excellence in Financial Reporting for an ACFR submitted while your firm served as the independent auditor? If yes please explain why.

4.2 Vendor Selection

- A. The City may elect to conduct interviews with vendors regarding anticipated concepts and the relative utility of alternative methods of approach for furnishing the required services.
- B. The City shall select, in order of preference, based on the above criteria, the vendor deemed to be the most highly qualified to provide the services required.

C. The City shall then negotiate a contract with the retained proposer ultimately selected in accordance with State statutes and City ordinances for the services to be rendered.

5. Instructions for Submitting Responses

5.1 A total of three (3) signed Submission Packets by a person authorized by the Company to execute contracts shall be provided to the City Clerk's office.

Responses may be mailed or delivered to the following:

Maumelle City Hall
Attn: Tina Timmons, City Clerk/Treasurer
550 Edgewood Drive
Maumelle, Arkansas 72113

5.2 Proposals shall be in English.

5.3 The City shall have the right, in its sole discretion, to determine what constitutes a minor deviation or informality and to waive minor deviations and informalities.

6. Questions and Clarifications

6.1 All requests for clarification or additional information shall be submitted in writing to the City of Maumelle Director of Finance, Liz Mathis at lmathis@maumelle.org.

Written questions shall be submitted by 4:00 p.m., no less than seven (10) calendar days prior to the submission deadline.

6.2 Written questions from vendors will be consolidated and responded to by the City. The City's consolidated written response is anticipated to be posted to the City website no later than the close of business seven (7) calendar days prior to the submission deadline.

6.3 All questions and answers, clarification of, or amendments to, this RFQ will be published on the City's website at <https://www.maumelle.org/564/Request-for-Professional-Services>. It is the vendor's responsibility to review the City's RFQ information online in order to obtain all available information and all updated requirements for this RFQ.