



January 26, 2022

**RE: City of Sanford / Town of Broadway Request for Proposal**

Dear Managing Partner:

Enclosed is the City of Sanford's request for proposal for audit services. The City is soliciting proposals from qualified independent auditors having sufficient governmental accounting and auditing experience in performing an audit in accordance with the specifications outlined within the RFP.

Additionally, the City of Sanford prepares the Town of Broadway's year end financial statements. The City is, therefore, also requesting proposals for audit services for the Town of Broadway. These proposals will be considered separately and as such should be clearly labeled in separate envelopes as instructed within each RFP. Please note that should the City of Sanford and the Town of Broadway select the same audit firm, the City of Sanford prefers that the audits run concurrently.

Please note the following dates:

- Receipt of proposals February 28, 2022 3:00 p.m.
- Award by Sanford City Council March 15, 2022
- Award by Broadway Town Commissioners March 28, 2022

Please submit two copies of each proposal. Note that the second section should be placed in a separate sealed envelope for each entity. The City of Sanford's ACFR for fiscal year ended June 30, 2021 is available at [www.sanfordnc.net](http://www.sanfordnc.net). The Town of Broadway's audit report for fiscal year ended June 30, 2021 is available at [www.broadwaync.com](http://www.broadwaync.com).

We look forward to receipt of your response to these requests.

Sincerely,

Glenda G. Rosser  
Financial Services Supervisor



**City of Sanford**  
**Request for Proposal**  
**Audit Services**

**Responses Due: February 28, 2022**

City's Contact information:

Name: Glenda Rosser

Title: Financial Services Supervisor

Address: 225 East Weatherspoon Street  
Sanford, NC 27330

Phone: 919-777-1140

Email: [glenda.rosser@sanfordnc.net](mailto:glenda.rosser@sanfordnc.net)

## **Request for Proposal**

The City Council of City of Sanford, North Carolina (hereinafter called the "City") invites qualified independent auditors (hereinafter called "auditor") having sufficient governmental accounting and auditing experience in performing an audit in accordance with the specifications outlined in this Request for Proposal (RFP) to submit a proposal.

There is no expressed or implied obligation for the City to reimburse firms for any expenses incurred in preparing proposals in response to this request.

The specific details shown herein shall be considered minimum unless otherwise shown. The specifications, terms, and conditions included with this RFP shall govern in any resulting contract(s) unless approved otherwise in writing by the City. The bidder consents to personal jurisdiction and venue in a state court of competent jurisdiction in Lee County, North Carolina.

### **Type of Audit**

1. The audit will encompass a financial and compliance examination of the unit's Annual Comprehensive Report (ACFR) in accordance with the laws and/or regulations of the State of North Carolina, which include requirements for the minimum scope of the audit. The financial and compliance audit will cover federal, state, and local funding sources in accordance with generally accepted auditing standards; Government Auditing Standards, July 2018 revisions; the provisions of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance); the State Single Audit Implementation Act; and all other applicable laws and regulations.
2. The scope of the audit and all fee quotes presented should include all approved and known pronouncements through the date of proposal submission. This includes, but is not limited to, the Governmental Accounting Standards Board (GASB) statements and Government Auditing Standards. Although some pronouncements will not be in effect until after the first year of the audit, estimates for future years should include pronouncements that will become effective during that contract period. The audit firm will be expected to advise appropriate City staff on the applicability of accounting and reporting standards as they become effective.
3. The financial audit opinion will cover the financial statements for the governmental activities, the business-type activities, each major fund, discretely presented component units (as applicable) and the remaining fund information, which collectively constitutes the basic financial statements. The combining and individual financial statements, schedules, and related information are not necessary for fair presentation, but will be presented as additional analytical data. This supplemental information, as required by GASB 34, will be subjected to the tests and other auditing procedures applied in the audit of the basic financial statements, and an opinion will be given as to whether the supplemental information is fairly stated in all material respects in relation to the basic financial statements taken as a whole. The auditor shall express an opinion on the budgetary comparison information for the General Fund, annually budgeted major and special revenue funds. An opinion will not be given on the Management Discussion and Analysis.

The working papers shall be retained and made available upon request for no less than three years from the date of the Audit report.

4. The audit will also include the following:

- a. Pre-planning conference with Finance staff in April/May timeframe where both the auditor and Finance staff discuss their expectations of the audit.
- b. Interim audit work prior to June 30th year end
- c. Attendance at the City Council meeting in December for presentation of the financial statements by Manager or Partner of the Audit Staff with comments and potential questions from the Council as requested.

5. The audit should encompass all funds and entity-wide activities as reported in the City's Annual Comprehensive Financial Report (ACFR) at June 30, 2021 and any additional funds or entity-wide activities that may be added subsequent to that date.

6. If required, the audit firm will issue a management letter to the City Council after completion of the audit and assist management in implementing recommendations, as is practical. City staff also request that an informal letter be addressed to the Finance Director with any efficiency, internal control or accounting improvements that could be made based on the audit staff's observation during their fieldwork. All content must be discussed with the Finance Director prior to issuance.

7. The City staff may require the auditor's guidance or input on the completion of certain schedules/documents as to proper format and content, so that they can be used in the audit process as well as inclusion in the City's financial statements. Guidance may be required for new note disclosures, all outstanding and effective authoritative standards and other reporting requirements at June 30 year-end. Cost for providing these services should be included in the auditor's base fee quote and will not be considered extra for additional billings. In cases, however, where services requested would require a more in-depth scope and require work significantly above the original fee quote, such additional fees must be negotiated prior to commencement of work and an amended contract will be approved by the governing board and forwarded to the staff of the Local Government Commission (LGC) for approval.

### **Auditor Requirements**

The audit firm is considered to be an independent contractor and will be wholly responsible for the services and the supervision of its own employees and permitted sub-contractors.

A planning meeting will be held each year to determine schedules that the City will be responsible for preparing. Estimated timeframes will be established and interim audit work will be planned. Adequate notification will be given prior to any changes in estimated times.

The City of Sanford audit engagement must be conducted in accordance with Generally Accepted Auditing Standards (GAAS); Government Auditing Standards, 2018 revisions, issued by the Comptroller General of the United States; and if applicable, the U. S. Office of Management and Budget's (OMB) Uniform Guidance and, if applicable, the State Single Audit Implementation and any other applicable procedures for the audit of a local government's financial statements prepared in accordance with Generally Accepted Accounting Principles (GAAP). By accepting this engagement, the Auditor warrants that he/she has met the requirements for a peer review and continuing education as specified in Government Auditing Standards. **The Auditor must provide a copy of their most recent peer review report with their proposal.**

For at least the first year of the contract, the Financial Statement Preparer (with the audit firm) will be

ultimately responsible for the preparation, typing and proofing of the basic financial statements, supplementary information, and compliance reports, with the Finance Director assisting in preparation. The City staff will prepare all standard year-end accruals, other adjusting journal entries and any necessary entries to allocate the state pension balances, LEO separation allowance liability and post-employment benefits. The City will prepare the government wide year-end adjusting entries for governmental activities for the auditor to review. The City will prepare the government wide year-end adjusting entries for business-type activities. The City shall designate an individual, the Finance Director, who has the suitable skills, knowledge, and/or experience (SKE) necessary to oversee the services and accept responsibility for the results of the services performed. The City management will ultimately be responsible for the preparation and fair presentation of the financial statements, which includes design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements. The City will require the assistance of the Financial Statement Preparer for the preparation, typing, and proofing the Basic Financial Statements, supplementary information and compliance reports. The City's Finance Director will prepare the MD&A. City staff will prepare combining and individual fund statements and schedules, other supplemental schedules and statistical section. A preliminary draft of the audit and required adjusting journal entries must be submitted to the Finance Director by October 1 for proofing and reconciliation to the City's records to allow ample time for review and corrections before it is sent to the Local Government Commission. The City's Finance Director will return the draft to the Financial Statement Preparer with proposed revisions within 10 working days.

Once all issues for discussion are resolved and auditor provides opinions and compliance reports, the auditor will complete and submit the necessary Single Audit information to the Federal Audit Clearinghouse on behalf of the City.

The auditor is responsible for completing the required data input sheet and electronically submitting the final Audit report/ACFR as a text-based PDF file to the State & Local Government Financial Division when (or prior to) submitting the final invoice for audit services rendered to the Commission.

Meeting LGC deadlines is a high priority for the City. Therefore, City of Sanford prefers interim fieldwork be completed in early June. Year-end fieldwork should not begin before mid-August and be completed by September 30. While many documents can be shared electronically, the City expects that the audit firm staff will be onsite for fieldwork, including manager and partner level staff for at least a portion of the onsite work. **An agreed upon post-closing trial balance must exist by September 30.** The Finance Officer will expect a listing of requested information needed for the audit at the preplanning conference, periodic conferences during the conduct of the audit, as well as an exit conference prior to the completion of fieldwork.

**The timing of the draft and review should insure final completion of the Financial Statements by the annual October 31st deadline.**

Staff continuity is a consideration for the City. The City must be notified of any changes in key personnel prior to the annual renewal of the contract.

In the event that circumstances arise during the audit that require work to be performed in excess of the original estimates, any additional costs will be negotiated prior to commencement of the work and an amended contract will be approved by the governing board and forwarded to the staff of the LGC for approval.

Either the manager or partner of the audit staff is required to present and attend the City Council meeting in which the Audit report is presented. Required communications to the Council can be delivered at this point, as well as general comments regarding the audit process and the results of the

audit. Finance staff will coordinate this presentation and determine the date and time of the meeting following the audit completion.

The auditor should also be available to meet with City Management, upon request.

All documents must be supplied electronically or on a USB to the Finance Director within the timeframe cited above.

### **Other Services**

The City has received the GFOA Certificate of Achievement for Excellence in Financial Reporting since 1981. The auditor will assist the City in maintaining its certification through technical assistance and timely compliance with new reporting requirements.

The auditor will be responsible for the annual audit and preparation of the Sanford Tourism Development Authority's (a discretely presented component unit of City of Sanford) audited financial statements, which also requires electronic submission to the Local Government Commission. (Please submit a separate cost estimate for this audit).

The auditor will prepare the audited Annual Comprehensive Financial Report. The auditor will submit a draft for review by the Finance Director. The Finance Director will return the draft with proposed revisions within 10 working days. The timing of this should ensure completion of the report no later than the October 31<sup>st</sup> deadline.

The auditor will prepare the Federal Data Collection Form and submit to appropriate agencies as required.

The auditor will review the Schedule of Federal and State Awards as prepared by the City (if applicable).

The auditor will be responsible for the audit and preparation of the Sanford Affordable Housing Development Corporation 501C-3 Form 990 tax return. Sanford Affordable Housing Development Corporation is a blended component unit of the City of Sanford. (Please submit a separate cost estimate).

The auditor will be responsible for the audit and preparation of the Friends of Sanford 501C-3 Form 990 tax return. Friends of Sanford is a blended component unit of the City of Sanford. (Please submit a separate cost estimate).

The City will prepare the Annual Financial Information Report (AFIR) to be filed with the LGC.

### **Audit Contract: Period & Payment of Audit Fees**

The City intends to continue the relationship with the auditor for no less than three (3) years starting with fiscal year ending June 30, 2022. Continuation after the first-year contract will be based on an annual review of the Auditor, recommendation of the department staff, satisfactory negotiation of terms (including price), and availability of an appropriation. Each year after negotiation has taken place an annual contract documenting the terms of the audit will be signed. Since one governing board may not obligate future governing boards, the remaining years of the agreement are subject to annual governing board approval. After the initial three-year period, an annual extension may be granted by the City based on the above-mentioned criteria and City Council concurrence for up to two additional years or until a determination is made to request new proposals. The years identified under this RFP are:

July 1, 2021 to June 30, 2022  
July 1, 2022 to June 30, 2023  
July 1, 2023 to June 30, 2024

The required current revision of the form "Contract to Audit Accounts" (form LGC-205) is required to be executed as the contract document; however, the auditor and the City may also execute an engagement letter and/or a City contract to include additional terms not addressed in the LGC-205. The entire audit contract package must be approved by the staff of the Local Government Commission. Invoices are subject to approval by the LGC prior to payment by the City. Interim or progress billings for services rendered marked approved by the LGC will be paid up to 75% of the total fee prior to submission of the final audited financial statements to the staff of the Local Government Commission. The final 25% of the Audit fees (final invoice) will be paid when the financial statements, single audit (if applicable), management letter and amended contract (if applicable) have been reviewed or approved by the LGC.

The LGC only approves invoices for audit related work. Requests for payment related to any additional agreed upon procedures work do not require LGC approval. Final invoices for these services will be paid after the final report results and findings have been reviewed and deemed satisfactory by City staff.

### **Description of Selection Process**

#### Submission of Questions Concerning RFP

After the proposal issue date, all communications between the City and prospective Auditors regarding this RFP shall be in writing. Any inquires, requests for interpretation, technical questions, clarification, or additional information shall be directed to Glenda Rosser, Financial Services Supervisor, by emailing [glenda.rosser@sanfordnc.net](mailto:glenda.rosser@sanfordnc.net). Questions and responses affecting the scope of services will be provided to Auditors by issuance of an Addendum which will be posted to the City's website at <https://www.sanfordnc.net>. This information will also be emailed to all audit firms who have submitted their intent to bid and contact information. All questions shall be received no later than 5:00 P.M., Friday, February 11, 2022.

Bidders may not have communications, verbal or otherwise, concerning this RFP with any City personnel or officials, other than the persons listed in this section.

Potential respondents should email [glenda.rosser@sanfordnc.net](mailto:glenda.rosser@sanfordnc.net) to acknowledge receipt of the RFP and to inform the City of its intent to respond. Provide the name, title, address, telephone and email address of the individual who can address inquiries related to this RFP and the respondent's proposal. An email response will be sent notifying the email was received.

Proposals must be submitted in two sections and must be physically signed by an authorized representative of the Audit firm. The first section will be comprised of the audit firm's prior experience and qualifications of its personnel in performing governmental audits. The second section will consist of completed cost estimate sheets. The Finance Office staff will evaluate the auditor/firm the evaluation factors below:

- The firm's responsiveness to the unit's requirements for audit services – including meeting the technical proposal instructions and addressing the technical evaluation criteria;
- The relevant experience of the firm or individual(s) involved;
- The availability of qualified staff to conduct the audit;

- The results of peer and external quality control reviews; and
- Price

The firm best meeting the City's expectations for experience, audit approach, and cost requirements will be selected.

Please keep in mind that cost, while an important factor will not be a sole determining factor. Unusually low bids that are obviously out of line with other bidders or are significantly lower than out current fees will raise concern. The lowest bid will not automatically be awarded preferential consideration.

The City reserves the right to reject any or all bids, waive technicalities, and to be the sole judge of suitability of the services for its intended use and further specifically reserve the right to make the award in the best interest of the City.

Failure to respond to any requirements outlined in the RFP, or failure to enclose copies of the required documents, may disqualify the bid. Firms must be registered with the North Carolina State Board of CPA Examiners.

### **Section 1 - Profile of the Firm**

The first section should address the requested information below. The corresponding responses should begin with the number below for the requested information.

1. Indicate the Audit firm's North Carolina office location(s) that will handle the audit.
2. Indicate the number of people (by level) located within the Audit firms local office that will handle the audit.
3. Provide a list of the audit firms' local office's current and prior government audit clients, indicating the type(s) of services performed and the number of years served for each.
4. Indicate the experience of the local office in providing additional services to government clients by listing the name of each government, the type(s) of service performed, and the year(s) of engagement.
5. Describe your audit organization's participation in AICPA sponsored or comparable quality control programs (peer review). **Provide a copy of the firm's current peer review.**
6. Describe the professional experience in governmental audits of each senior and higher level person assigned to the audit, the years on each job, and his/her position while on each audit. Indicate the percentages of time each senior and higher-level personnel will be on site.
7. Describe the relevant experience and education with the new GASBS reporting requirements, seminars and courses attended within the past three years. Courses in governmental accounting and auditing should be clearly communicated.
8. Describe the professional experience of assigned individuals in auditing relevant government organizations, programs, activities, or functions (e.g., Water/Sewer service functions).
9. Describe any specialized skills, training, or background in public finance of assigned individuals. This may include participation in State or national professional organizations, speaker or

instructor roles in conferences or seminars, or authorship of articles and books.

10. Provide names, addresses, and telephone numbers of personnel of current and prior governmental audit clients who may be contracted for a reference.
11. Describe the firm's Statement of Policy and Procedures regarding Independence under Government Auditing Standards (Yellow Book), July 2018 Revision. Provide a copy of the firm's Statement of Policy and Procedures.
12. Is the firm adequately insured to cover claims? Describe liability insurance coverage arrangements.
13. Describe any regulatory action taken by any oversight body against the proposing audit organization or local office.
14. Comment on your knowledge of and relationship with the NC Local Government Commission and the University of North Carolina School Of Government in Chapel Hill.

## **Section 2 – Audit Approach**

Proposals should include completed cost estimate sheets and any other necessary cost information in a separate, sealed envelope marked – “Cost Estimate.” The City will evaluate the qualifications of all firms submitting proposals before considering the Cost Estimate.

1. Type of audit program used (tailor-made, standard government, or standard commercial).
2. Use of statistical sampling.
3. Use of automated processes and internal control testing methods
4. Use of computer audit specialists.
5. Organization of the audit team and the approximate percentage of time spent on the audit by each member.
6. Information that will be contained in the management letter.
7. Assistance expected from the government's staff, if other than outlined in the RFP.
8. Tentative schedule for completing the audit within the specified deadlines of the RFP.
9. Specify costs using the format below for the audit year July 1, 2021 to June 30, 2022. For the two audit years, which follow, list the estimated costs. The cost for the audit year ending June 30, 2022 is binding, while the second and third years are estimated costs. Cost estimates must indicate the basis for the charges and whether the amount is a “not-to-exceed” amount.
  - A. Audit firm personnel costs – Itemize the following for each category of personnel (partner, manager, senior, staff accountants, clerical, etc.) with the different rates per hour.
    - 1) Estimated hours: please categorize estimated hours into the following: on-site interim work, year-end on-site work, and work performed in the auditor's office.

- 2) Rate per hour.
- 3) Total cost for each category of personnel and for all personnel costs in total.
- B. Travel – itemize transportation and other travel costs separately.
- C. Cost of supplies and materials – itemize.
- D. Other costs – completely identify and itemize.
  - 1) If applicable, note your method of determining increases in audit costs on a year to year basis
- 10. Please list any other information the firm may wish to provide.
- 11. Please include the Summary of Audit Costs Sheet with your proposal.

**Time Schedule for Awarding the Contract**

RFP Release Date	<i>January 26, 2022</i>
Deadline for RFP Questions *	<i>February 11, 2022 by 5:00 pm</i>
Questions to be Answered No Later Than	<i>February 18, 2022 by 5pm</i>
Deadline for Receipt of Proposals **	<i>February 28, 2022 by 3:00 pm</i> City of Sanford, Finance Department Attn: Glenda Rosser, Financial Services Supervisor 225 East Weatherspoon Street Sanford, NC 27330
Notice of Recommended Firm	<i>March 9, 2022</i>
Council Approval	<i>March 15, 2022</i>

\*Any questions should be directed to Glenda Rosser, Financial Services Supervisor, at (919) 777-1140 or [glenda.rosser@sanfordnc.net](mailto:glenda.rosser@sanfordnc.net).

\*\* Proposals can either be submitted electronically (email) to [glenda.rosser@sanfordnc.net](mailto:glenda.rosser@sanfordnc.net) or on paper by February 28, 2022 by 3:00 pm. Envelopes containing proposals on paper should be clearly identified on the front with the words "RESPONSE TO RFP FOR AUDIT SERVICES".

- Please note your email should include two separate pdf attachments for sections 1 and 2
- Envelopes should include Three copies of the bound proposal (clearly separating section 1 and 2).

City of Sanford reserves the right to request additional information deemed necessary to aide in the selection process.

\*\*\*The Finance Office will review the proposals based on the evaluation and selection criteria process contained in this RFP and plans to make a recommendation to the City Council on March 15, 2022 at which time the contract will be awarded.

## **Description of the Governmental Entity and Its Accounting System**

### **Entity**

Sanford is a City in North Carolina with a population of approximately 30,000. The City operates a water and sewer utility as well as a municipal golf course. The City of Sanford ABC Board, a discretely presented component unit, maintains its own financial records. The ABC Board's audit as well as preparation of its financial statements is by another accounting firm and is not part of this proposal request.

Reference should be made to the most recent ACFR report for a general overview of the City. A PDF copy of the most recent ACFR/Audit report is located on the City's website see below or by emailing [glenda.rosser@sanfordnc.net](mailto:glenda.rosser@sanfordnc.net).

<https://www.sanfordnc.net/Archive.aspx?ADID=620>

The following organizations will be discretely presented component units in the ACFR:

City of Sanford Alcoholic Beverage Control Board

Sanford Tourism Development Authority (will be audited along with the City audit)

Friends of Sanford and Sanford Affordable Housing Development Corporation are blended component units that will be audited along with the City audit.

### **Funds**

City of Sanford maintains the following funds:

#### **Governmental Funds**

General Fund

Special Revenue Funds

American Rescue Plan Act-CSLRF Fund

Community Development Fund

Municipal Service District Fund

Friends of Sanford (blended component unit)

Sanford Affordable Housing Development Corporation (blended component unit)

Capital Projects Fund

Capital Reserve Fund

#### **Proprietary Funds**

Utility Fund (water and sewer system operations)

Utility Capital Projects Fund

Chatham Park Wastewater Treatment Plant Operations Fund

Health Insurance Internal Service Fund

## Fiduciary Funds

Firemen's Supplemental Pension Plan  
Customer Assistance Program  
Sanford Tourism Development Authority Fund

## **Grants, Entitlements, and Shared Revenues**

A copy of the Schedule of Federal and State Expenditures and a Summary of Auditor's Results showing the major programs for the year ended June 30, 2021 can be found in the ACFR (OR AUDIT REPORT) located on the City's website.

## **Budgets**

The City of Sanford annual budget is adopted for the General Fund, Enterprise Fund and Municipal Service District. Multi Year project ordinances are prepared for Capital Project funds and Community Development Fund. All budgets are prepared using the modified accrual basis of accounting. All appropriations for annually budgeted funds are made at the departmental level and at the project level for the multi-year funds. A financial plan is prepared for the Internal Service Fund. The City also maintains an encumbrance system. Both the budgetary and encumbrance systems are integrated with the accounting system to provide comparison with actual expenditures.

## **Accounting Records**

The City maintains all its accounting records at the finance office located at 225 East Weatherspoon Street, Sanford, NC 27330. The governmental unit maintains all accounting journals and subsidiary ledgers on Munis governmental software by Tyler Technologies hosted on their cloud servers in Maine and Texas. Our blended component units and discretely presented component unit accounting journals and subsidiary ledgers are maintained on QuickBooks online software.

## **Assistance Available to Auditor**

**The City will designate an individual that understands the services to be provided in accordance to GAGAS §3.73 (GAGAS 2018 Revision)**

The City has designated the Finance Director as the person with the suitable skills, knowledge, and/or experience (SKE) necessary to oversee and accept responsibility for the results of the services performed. The City will make available to the auditor sufficient help to pull and re-file records, and prepare necessary confirmations. An electronic version of the trial balance with budgeted amounts will be made available in late August. The following accounting procedures will be completed and documents prepared by the City's staff no later than September 1.

The books of account will be fully balanced.  
All subsidiary ledgers will be reconciled to control accounts.  
All bank account reconciliations for each month will be completed.

The City's personnel will prepare the following items:

## **General**

1. Working Balance Sheet for each fund.
2. Working Statement of Revenues, Expenditures, and Transfers for each fund.
3. Working Statement of Cash Flows where required.
4. General Ledger transaction detail report for each account.
5. A copy of the original budget, all amendments, and the final budget as of June 30.
6. A copy of all project ordinances and all amendments for active projects during the audit period.
7. A copy of the lease schedules itemizing contracts in force during the audit period as well as access to the lease files maintained in the Finance office.
8. A copy of board policies, including travel and investment policies, debt policies, fund balance policies and purchasing policies including how the pre-audit process is performed.
9. Copies of all signed Council meeting minutes.
10. Copies of all correspondence with the staff of the Local Government Commission, including semiannual Cash and Investment Reports (LGC-203), unit letters, letters regarding the audited financial statements and compliance reports for the previous year.
11. Management's Discussion and Analysis
12. Required supplementary information, e.g. actuarial information for the Law Enforcement Officers' Separation Allowance and Other Postemployment Benefits (OPEB)

## **Cash and Investments**

1. All bank reconciliations for each month, signed and dated by both a preparer and a knowledgeable reviewer.
2. List of outstanding checks by account, showing check number, date, and amount.
3. Schedule of all investments for all funds at the audit date, showing book value and estimated market value at fiscal year-end.

## **Receivables**

1. Listing of unpaid tax bills in detail totaled by year as of fiscal year end.
2. Listing of outstanding receivables by account as of the fiscal year end.
3. Listing of outstanding receivables in detail as of the fiscal year end.
4. Schedule of miscellaneous receivables booked as of the fiscal year end.

### **Other Assets**

1. Schedule of insurance coverage.

### **Capital Assets**

1. Listing of capital assets by function and activity with supporting schedule of changes in capital assets and supporting detail of additions, retirements and transfers.
2. Printout of all capital asset acquisitions made during the audit year and CIP placed in service.
3. Printout of all capital asset dispositions made during the audit year.
4. Printout of depreciation expense posted for the audit year.

### **Current Liabilities**

1. Schedule of accounts payable and accrued accounts payable.
2. Schedule of reserve for encumbrances.
3. Schedule of accrued payroll and related liabilities.
4. Schedule of accrued of comp and banked holiday time and related liabilities.
5. Schedule of calculation of health insurance liabilities.
6. Schedule of retainage payable.

### **Long-Term Debt**

1. Computation of vested vacation payable as of the audit date.
2. Computation of vested comp and banked holiday time as of audit date.
3. Debt Schedule for each debt issue and related payments.

### **Grants**

The following will be compiled for each grant:

1. Grant agreement.
2. Grant Budget.
3. Schedule of Expenditures of Federal and State Awards.
4. Correspondence with the grantor agency, including monitoring reports.
5. CFDA # and/or pass-through grant #.
6. Summary Schedule of Prior Audit findings (if applicable)

7. Corrective action plan for each audit finding that will be presented on the Schedule of Findings and Question Costs on City letterhead (if necessary)

**Conversion**

1. Entries to convert from fund to government-wide statements for Enterprise Fund
2. GASB 34 worksheet entries to convert from fund to government-wide statements for General Fund
3. Entries for the LEO Separation Allowance and OPEB liabilities
4. Entry for the LGERS pension liability
5. Allocation of depreciation among functional areas
6. Computation of additions and retirements of compensated absences
7. Worksheet for determination of major funds
8. Worksheet for combining statement for non-major funds

**Size and Complexity of City Personnel/Payroll**

Number of employees as of December 23, 2021	<u>334 FT; 52 PT; 27 LEOSSA</u>
Frequency of payroll	<u>Bi-weekly</u>
Number of payroll direct deposit advices	<u>399</u>

**Property Tax billed and collected by Lee County**

Total dollar amount of most recent year's collections	\$ <u>17,524,116</u>
Total dollar amount of levy	\$ <u>17,704,119</u>

**Purchasing**

Number of purchase orders issued (FY 2021)	<u>2,493</u>
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**Bank Accounts**

Number of bank accounts	
Master account	1
Payroll account*	1
Vendor account*	1
Credit card account*	1
*These are zero balance accounts	

Number of investment accounts (non-escrow)	
NCCMT	1
Certificate of Deposits	3
Number of escrow accounts	<u>4</u>
Number of investment safekeeping accounts	<u>3</u>
AGPIP OPEB trust account	<u>None</u>
Average monthly activity in main accounts	<u>1</u>
Number of deposits: Central Depository	\$ <u>2,394,302</u>
Number of checks: Central Depository	<u>83 avg mthly</u>
	<u>2,244 lockbox cks mthly</u>

Vendor checks printed  
Vendor EFT payments  
Payroll

311 avg mthly  
174 avg mthly  
44 avg mthly

**The following financial applications are on the computer system:**

General Ledger  
Accounts Payable  
Cash Disbursements  
Project Accounting  
Payroll  
Capital Assets  
Cash Receipts  
Accounts Receivable

Bank Accounts – Sanford Tourism  
Development Authority 1  
Average monthly activity \$368,584  
Average monthly checks 17  
Average monthly deposits 1  
Average bi-weekly payroll direct deposit  
advices 2

Bank Accounts – Friends of Sanford 1  
Average monthly activity \$ 72,264  
Average monthly checks 1  
Average monthly deposits 2

**SUMMARY OF AUDIT COSTS SHEET**

- 1. Base Audit – City of Sanford
  - a. Includes Personnel costs, travel, and on-site work \$ \_\_\_\_\_
  
- 2. Extra Audit Service
  - a. \$ \_\_\_\_\_ per hour
  - \$ \_\_\_\_\_
- 3. Other: (explain) \$ \_\_\_\_\_
  - a. \_\_\_\_\_
  
- 4. Other: (explain) \$ \_\_\_\_\_
  - a. \_\_\_\_\_
  
- TOTAL** \$ \_\_\_\_\_

<b>FIRM:</b>	<b>Primary Contact:</b>
<b>Address:</b>	<b>Telephone:</b>
	<b>Fax:</b>
	<b>E-mail:</b>
	<b>Date:</b>

**PROPOSAL CERTIFICATION**

**Proposers**

**Signature** \_\_\_\_\_ **Date** \_\_\_\_\_

**By Signing above I Certify that I have carefully read and fully understand the information contained in this RFP; and that I have the capability to successfully undertake and complete the responsibilities and obligations of the Proposal being submitted and have the authority to sign Proposal on behalf of my organization.**

BY (Printed): \_

\_\_\_\_\_

—  
TITLE: \_

\_\_\_\_\_

—  
COMPANY:

\_\_\_\_\_

\_ ADDRESS: \_\_\_\_\_

TELEPHONE: \_

\_\_\_\_\_

—  
EMAIL:

\_\_\_\_\_