REQUEST FOR PROPOSALS

INDEPENDENT AUDITING SERVICES

PROPOSALS DUE BY

**Monday, November 16, 2015**

**By 5:00 p.m.**

PROPOSALS DELIVERED TO

Leslie Leathers, City Secretary

City of Timpson

P.O. Box 369

Timpson, TX 75975

Request for Proposals – Independent Auditing Services Page 1

City of Timpson

Request for Proposal

For Independent Auditing Services

General Information

The City of Timpson is requesting proposals from Certified Public Accounting firms to perform financial auditing services of a government agency for the fiscal year October 1, 2014 thru September 30, 2015.

A copy of the City’s general purpose financial statement is available from the City Secretary. Interested firms should contact Leslie Leathers at 936-254-2421 or [citysecretary@cityoftimpson.com](mailto:citysecretary@cityoftimpson.com) for a copy. This document provides information concerning the City, its accounting policies and its related entries.

Software applications currently being used include: (QuickBooks) general ledger and budgetary accounting, utility billing (Utility Data), accounts payable, QB Payroll and municipal court software (In code).

The City of Timpson demographics:

* Type A General Law Municipality
* Population approximately 1,280
* FY13/14 Net Position was $4,683,142.00
* 11 Full-time employees/2 Departments –Utility (Electric/Water/Sewer) and General (includes Police)
* Outstanding debt (Certificates of Obligation and 2 Bank Loans)

Scope of Audit

The audit shall include an examination of the financial statements of all accounts and funds of the City and all component entities. This examination shall be made in accordance with all generally accepted auditing standards for local governments as established by the American Institute of Certified Public Accountants and in accordance with all applicable federal and state laws. Request for Proposals – Independent Auditing Services Request for Proposals – Independent Auditing Services Page

The City occasionally receives funds from various State or Federal Grants. As a recipient of these funds, the City may undergo an annual audit in conformity with the provisions of the Single Audit Act of 1984 and the U.S. Office of Management and Federal OMB A-133, Audits of State and Local Governments, depending on the amount of funding received.

The City has a separate component unit consisting of the City of Timpson Economic Development Corporation which is a 4A Corporation under the Development Corporation Act of 1979.

Sealed Fee Estimates

A sealed fee estimate should contain all pricing information relative to performing the audit including rates of compensation and number of anticipated hours of each level of staff that may be assigned to this audit. The total all-inclusive maximum fee should include all direct and indirect costs and anticipated out-of-pocket expenses.

Request for Proposals – Independent Auditing Services Page 2

If it should become necessary for the City of Timpson to request the auditor to perform additional work as a result of the specific recommendations included in any report issued on this engagement, then such additional work shall be performed only if set forth in an addendum to the contract between the City of Timpson and the firm. Any such additional work agreed to by the City and the firm shall be performed at the same rate set forth in the schedule of fees and expenses included in the sealed fee estimate/dollar cost bid.

Reporting Requirements

The auditors shall provide the following:

1. Both hard and electronic copy, of the Comprehensive Annual Financial Report including all introductory material, the general purpose financial statement with auditor’s opinion and notes thereto, all combining and individual statements as required, component unit statements as required and statistical information.
2. General Purpose Financial Statement. Ten (10) final form copies of this report will be required.
3. A report as to the adequacy of the City’s system of internal accounting controls as observed during the course of the audit. This report shall be addressed to the Mayor and City Council, but shall be reviewed in draft form by the City Mayor before it is prepared in final form.
4. If required, reports not included in the Comprehensive Annual Financial Reports related to determination of compliance with any federal grant programs. Ten (10) copies of such reports will be required, if applicable.
5. Any audit working paper(s) requested by the City whether prepared by the auditors or the City Secretary.
6. All Adjusting Journal entries to ensure the consistency of the City’s financial records with the audited financial statement.

Meeting Requirements

1. Audit Firm Representative will meet with the City Staff on at least two (2) occurrences, at the beginning and at the completion of the audit assignment.
2. Audit Firm Representative will meet with the City Council to make audit report, typically one (1) occurrence.

Other Requirements

The City shall provide the space and facilities necessary for the auditors to conduct the examination. In addition, all information, data, reports and records necessary for carrying out the audit work shall be furnished to the auditor in charge and the City shall cooperate with the auditors in every reasonable way to ensure completion of the audit.

The City closes its books for the fiscal year the last day of September of each year and would like to present the printed CAFR to the City Council no later than the following March of the next year at the regular City Council meeting. With these dates in mind, a proposed “Schedule of Activities” should be included as part of the proposal.

Request for Proposals – Independent Auditing Services Page 3

Instructions for Submitting Proposals

Final proposal shall be addressed:

City of Timpson

ATTN: City Secretary

P.O. Box 369

Timpson, TX 75975

Proposals can also be delivered to City Hall at 456 Jacob Street. They must be received by no later than 5:00 P.M., Monday, November 16, 2015. Each proposal must be sealed and clearly marked on the outside of the envelope “Proposal for Auditing Services”.

Proposals submitted will be reviewed by the City Mayor and City Secretary. Based on this review, recommendations will be made to the City Council who will make the final selection. It is expected that the final selection will be made on November 17, 2015 at the regular City Council meeting at 5:30 P.M.

Acceptance/Rejection of Proposals

The City reserves the right to accept the proposals considered to be the most advantageous to the City and to reject any and all proposals and re-advertise.

Request for Proposals – Independent Auditing Services Page 4

Request for Proposals – Independent Auditing Services  Page 4