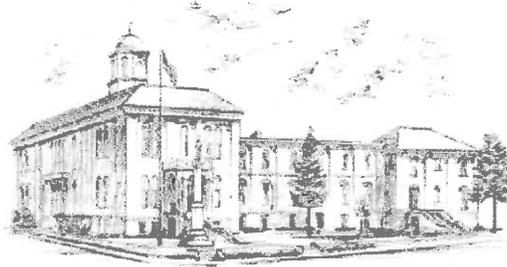


ANDROSCOGGIN COUNTY

COMMISSIONERS

Ronald Chicoine, Chairperson
Sally Christner, Vice-Chair
Beth Bell, Commissioner
Alfreda Fournier, Commissioner
Randall Greenwood, Commissioner
Elaine Makas, Commissioner
Matthew Roy, Commissioner



COUNTY ADMINISTRATOR
Larry Post

Tel. No. (207) 753-2500
Fax No. (207) 782-5367

August 29, 2016

REQUEST FOR PROPOSALS

The Androscoggin County Commissioners are soliciting bids for the 2017, 2018, and/or 2019 Audit. The bid could be awarded in whole or in part meaning that a firm could conduct the county audit and another firm could conduct the support of prisoners' audit. The specifications are enclosed (pages 1-7).

The bids will be publicly opened on Monday, September 26 at 10:00 a.m. in the Androscoggin County First Floor Conference Room, 2 Turner Street, Auburn, ME 04210.

The Androscoggin County Commissioners reserve the right to reject any and all bids or waive any minor discrepancies or technicalities in the bids of or specifications, when deemed to be in the best interest of the County.

Larry Post
County Administrator

ANDROSCOGGIN COUNTY SPECIFICATIONS For FINANCIAL AUDIT

The County of Androscoggin invites qualified certified independent public accounting firms to submit proposals for the performance of an audit of its financial accounts and records for the purpose of rendering an auditor's opinion regarding the fairness of applicable legal provisions and compliance with the Single Audit Act, in accordance with generally accepted auditing standards. The proposals are to cover audit periods of January 1 to December 31, 2017, 2018 and/or 2019.

The proposal will include 2 bids, the first bid will cover calendar years for all county departments excluding the support of prisoners, the second bid will cover the support of prisoners for fiscal years beginning July 1 and ending June 30 for 2017/18, 2018/19 and 2019/20. The proposals should be submitted independently in terms of bidding and invoicing.

A. GENERAL INFORMATION

The County has one County Administrator and seven County Commissioners who are the financial officers of the county. The principal county departments, all of which will be subject to this audit, with a total appropriation of approximately 12,000,000 in the current fiscal year and a current full-time work force of approximately 110 employees. The most recent audit of the County of Androscoggin for County Department was performed in 2015 for the period January 1 to December 31, 2014 and for support of prisoners in 2015 for July 1, 2014 to June 30, 2015. A copy of the auditor's report is available by contacting the Commissioners' Office.

The accounts of the County are organized on the basis of funds and account groups each of which is considered a separate fiscal and accounting entity with a self-balancing set of accounts.

The following types of funds and account groups used by the County:

- (1) The General Fund – to account for all financial resources except those required to be accounted for in another fund.

- (2) Special Revenue Funds – to account for the proceeds of specific revenue sources (other than expendable trusts, or for major capital projects) that are legally restricted to expenditures for specified purposes.
- (3) Capital Projects Funds – to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Enterprise Funds and Trust Funds).
- (4) Enterprise funds – to account for operations that are financed and operated in a manner similar to private business enterprises – where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis to be financed or recovered primarily through user charges.
- (5) General Long-Term Account Group – the matured principal of all long-term obligations except those which are directly related to and expected to be paid from Enterprise Funds are included in the General Long – Term Debt Account Group.

The County maintains general ledgers and other books of accounts for the General Fund, including jail project, and Capital Project Fund.

The County maintains much of its accounting records are on Tyler Technologies Infinite Visions (IVVE) accounting system. The computerized applications include payroll, revenues, accounts payable and budgetary accounting.

B. AUDIT STANDARDS

The audit firm shall conduct the examination of the accounts and records of the County in accordance with generally accepted auditing standards and procedures applicable to governmental units, as prescribed in the following documents:

- (1) “Audits of State and Local Governmental Units” (ASLGU). AICPA Audit and Accounting Guide, Revised Edition.
- (2) GASB Statement No. 1, “Authoritative Status of NCGA Pronouncements and AICPA Industry Audit Guide”.
- (3) GAO “Standards for Audit of Governmental Organizations, Programs, Activities and Functions”.
- (4) GAO “Guidelines for Financial and Compliance Audits of Federally Assisted Programs”.
- (5) The Single Audit Act (Public Law 98-502 “The Act”).
- (6) Other documents as may be specifically described in this Request for Proposals.

C. AUDIT SCOPE

The audit firm shall be engaged to conduct an examination of financial statements, accounts, records and procedures of all departments and funds of the County. The Single Audit conducted in accordance with the Single Audit Act is required for all federally assisted programs.

Indicate in your proposal if you agree to meet or exceed the following auditing specifications. Explain any exceptions you have regarding them.

- (1) The firm shall perform a financial and compliance audit of all funds reported in the County's latest Annual Financial Report which accompanies this Request for Proposals.

The audit shall be conducted to satisfy the requirements of the State of Maine Department of Audit and Title 30A MRSA, Section 951 and 952, and the Single Audit Act.

- (2) The firm shall examine the financial statements of the County presented in its Annual Financial Report prepared by the County Treasurer. The County expects to again prepare these statements in accordance with generally accepted accounting principles.
- (3) The connection with the examination of the records and financial statements, the firm shall review the system of internal control, operating procedures and compliance with budgetary and legal requirements by the County of Androscoggin.

The review of internal control must include an annual review of the related processing controls within our data processing department. This review should include but not be limited to the area of physical security, systems and program documentation, input/output controller and related processing controls within our data processing department. This review should include but not be limited to the areas of physical security, systems and program documentation, input/output controls and control over use and retention of disk files.

- (4) The firm shall perform a financial and compliance audit in accordance with the Single Audit Act for all federally assisted programs.
- (5) The County of Androscoggin views its engagement of an audit firm as an ongoing professional relationship in which the firm is expected to provide consultation services during the course of a year. As such, the firm is expected

to consult as required on auditing, accounting, financial reporting and operation questions which arise during the course of a year.

In addition, the firm is expected to provide the County with information on current developments which would affect the County's financial operations and management.

- (6) The firm shall agree to make available its working papers upon request, to meet any financial need as well as in accordance be kept for three years from the final audit report.
- (7) The firm shall agree to enter conferences to review the audit program with County officials, as well as the local government's role and assistance in the audit process.
- (8) The partner in charge of the audit shall be available to attend public meetings at which the audit report may be discussed. The partner or manager in charge of the audit shall be available to discuss the audit report or other reports required by this proposal with the County's financial staff as required.

D. AUDIT AND REPORT SCHEDULES

Indicate in your proposal if you agree to meet the following audit and report schedules. Explain any exceptions you have regarding them.

- (1) The firm shall conduct the audits covering operations of the County and of federally assisted programs during the following period January 1, 2017 through December 31, 2017, and conduct 2 separate audits covering operations of the County and Support of Prisoners. January 1, 2018 through December 31, 2018 and January 1, 2019 through December 31, 2019.
 - A. The County excluding the Support of Prisoners is on a calendar year. The audit will cover periods starting January 1, 2017 through December 31, 2017, January 1, 2018 through December 31, 2018 and January 1, 2019 through December 31, 2019.
 - B. The Support of Prisoners audit will on a fiscal year from July 1, 2017 through June 30, 2018, for fiscal period starting July 1, 2018 through June 30, 2019, and from July 1, 2019 through June 30, 2020.

The firm shall submit written reports containing an expression of opinion that financial statements are fairly stated, or, if a qualified or adverse opinion or

disclaimer of opinion or disclaimer of opinion is necessary, the reasons therefore. The firm shall submit 3 copies of the final draft of its report for the County Administrator and County Commissioners. In addition, the firm must prepare and file a copy of the auditor's report with the State Department of Audit within thirty (30) days after completion of the audit.

- (2) The firm shall submit a written report on internal accounting control weaknesses, if any, and a management letter which shall identify observed management weaknesses if any, assess their effects and propose initial steps to eliminate them. The firm shall submit 3 copies of the final draft of the management letter and the report on internal control weaknesses, which may be combined into one report.
- (3) The firm shall submit written reports including financial statements, footnotes and comments on compliance and internal control covering all federally assisted programs during the following periods.

E. QUALIFICATIONS OF THE FIRM

The firm must include a summary of its qualifications to perform an audit of a local government. The proposal should include at minimum:

- (1) A description of your firm and its relevant prior experience.
- (2) A list of recent local government audits performed and two references which shall be local government officials.
- (3) Names of the partner(s) and manager(s) to be assigned to the engagement and a summary of their qualifications.

The firm must include a summary of its technical approach to performing a government audit. The proposal should include a brief description of the audit procedures to be followed, presented in a form which shall best aid the County of Androscoggin evaluating your firm's ability to identify, evaluate and communicate on local government financial problems.

In addition, a tentative schedule for performing the key phases of the audit should also be included in your proposal as well as an express agreement to meet or exceed the performance specifications stated in Sections B, C and D.

F. EVALUATION PROCEDURES

The County of Androscoggin shall evaluate the proposals on the basis of the qualifications, relevant experience and responsiveness of the bidders, as well as the estimated cost of the engagement. The County may wish to conduct oral interview with the firms considered most qualified in order to help the County in selection process.

G. ASSISTANCE BY THE COUNTY

The County of Androscoggin financial staff shall render all feasible assistance to the audit firm and shall respond promptly to requests for information, provide all necessary books and records, provide physical facilities required by the firm for the expeditious conduct of the engagement. The firm will be responsible to copy any necessary record with the county providing the photocopier.

H. COMPENSATION

Your proposal must indicate the maximum total your firm will charge the County. The final payment for any audit shall become due only after the submission of all reports required by Section D and their acceptance by the County of Androscoggin.

Should the firm encounter circumstance requiring an increase in the extent of detailed investigation, or should the County require an increase in the scope of the audit, written notice to that effect may be given to the other party.

The engagement can then be modified by mutual agreement of both parties as to additional work and compensation.

Your proposal must indicate the hourly fee your firm will charge the County for additional work needed outside the scope of the audit outlined in Section D. Hourly fee schedule must outline each partner(s) and/or manager(s) rate.

I. TERMINATION OF AUDIT

If the audit firm fails to substantially comply with specifications contained in this Request for Proposals, then the County of Androscoggin reserves the right to terminate the engagement, upon written notice.

J. DATE OF COMPLETION OF AUDIT

The audit must be completed and all final reports submitted to the County Commissioners on or before June 30, 2018 for the first year, June 30, 2019 for the second year and June 30, 2020 for the third year for audit on all county departments excluding the support of prisoners.

The audit for the support of prisoners must be completed and all final reports submitted to the County Commissioners on or before October 1, 2018 for the first year, October 1, 2019 for the second year and October 1, 2020 for the third year.

K. PENALTY FOR LATE SUBMITTAL

A Five Hundred Dollar (\$500.00) penalty fee will be imposed for each additional week after June 30th for County Departments and October 1st for support of prisoners for late submittal of the final report.

L. FURTHER INFORMATION

Contact: Androscoggin County Treasurer Robert Poulin, (207) 753-2527.