



July 15, 2020

To Whom it May Concern,

The City of El Dorado will receive proposals for the performance of the audit of the City's financial statements for the period of 2020 – 2024 on August 19th at 10:00 a.m. A recommendation will be made to the City Commission for an engagement with an audit firm by September 21, 2020.

In accordance with the government revisions used by the United States Government Accountability Office, the City is requesting the results of your latest peer review providing an unqualified opinion of the firm's audit practices. If the firm has not participated in a review within the last three years, then provisions for obtaining one must be addressed in this proposal.

Included is a proposed format detailing the scope of information needed from each firm. Previous Comprehensive Annual Financial Reports can be found on our website at www.eldoks.com for your review. Any questions may be submitted in writing to tsharp@eldoks.com by July 29, 2020 at 5:00 p.m. Questions will be compiled after the deadline, and a response will be issued in the form of an addendum.

Respectfully,

A handwritten signature in black ink, appearing to read "Tabitha D. Sharp".

Tabitha D. Sharp
City Clerk
City of El Dorado

1. Introduction

- a. The City of El Dorado, Kansas is seeking a bid from firms/providers for the performance of the audit of the City's financial statements for the period of 2020 – 2024.
- b. Bids must be received by no later than 10:00 a.m. on August 19, 2020, at City Hall, Office of the City Clerk, 220 E. First Ave., El Dorado, KS 67042.
- c. Bid documents are available by accessing the City's website at <http://eldoks.com/list.aspx> or by contacting Tabitha Sharp, City Clerk, by phone 316-321-9100 or email (tsharp@eldoks.com). During proposal development, respondent's questions regarding this RFQ or the process should be directed to Tabitha Sharp no later than July 29, 2020 at 5:00 p.m.
- d. Those intending to respond to this Request for Bids are asked not to make contact with other City staff or City Commissioners during the bid process and evaluation phase.

2. General Information

The City of El Dorado, located in Southcentral Kansas, is mid-sized community of approximately 13,000 residents. The City has a commission-manager form of government with a five member commission. The government is made up of nine departments with approximately 140 full-time staff and 200 temporary/seasonal employees on an annual basis. The City's mission is to enhance quality of life by embracing service excellence.

The City of El Dorado provides the following services to its citizens:

- 18-hole Municipal Golf Course
- 36-hole Disc Golf Course
- Cemetery Maintenance and Management
- Convention and Visitors Bureau
- Municipal Airport
- Municipal Court
- Municipal Planning, Zoning, and Building Inspection
- Parks and Recreation
- Police and Fire Protection
- Sanitation
- Senior Center Management
- Street Maintenance and Traffic Engineering
- Water and Wastewater Collection, Treatment, Sewer Maintenance, and Reclamation

The City's estimated 2020 budget is approximately \$33 million, while the General Fund expenditures are estimated at \$13 million. El Dorado's history of fiscal stewardship has earned the City an AA- bond rating from Standard and Poor and the GFOA Distinguished Budget Award.

El Dorado, Kansas exhibits a rich history of development and innovation. In the last 10 years, the City of El Dorado has been able to compete for several industrial, housing, and business projects.

Successful awarding of these projects to our community was contingent on a multitude of factors including access to infrastructure and utilities, incentive programs, and strategic funding partnerships. Because we recognize the impact of businesses and housing on the long-term vitality of our community, we regularly partner with civic organizations and taxing entities to attract and retain quality businesses and community members.

Our modern city maintains its humble roots while offering some of the finest shopping, restaurants, museums and recreation in the area. Nestled in the Flint Hills at the confluence of I-35, U.S. Hwy 54, and U.S. Hwy. 77, El Dorado is a mere thirty minutes from Wichita and two and a half hours from both Kansas City and Oklahoma City. This unique location provides residents a quiet community with easy access to metropolitan areas.

3. Response Form and Content

- a. Title Page: Indicate the response subject, name of firm, address, telephone number, name of primary contact person, email address for the primary contact person and date of submittal.
- b. Introduction: Briefly, introduce your firm, indicating whether the firm is local, regional, national or international. Provide a profile of the firm, including, but not limited to, the approximate number of professional staff employed, and how long your firm has been in business. Indicate the name(s), title(s), and telephone number(s) of the person(s) who will be authorized to make representation for and to bind the firm.

4. Scope of Work

- a) An audit of financial records of the City's various accounting systems shall be performed in a manner that would produce the financial statements, footnotes, and supplemental information as required to maintain the Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting.
- b) The audit will be conducted in accordance with auditing standards generally accepted in the United States of America, Kansas Municipal Audit Guide, Government Auditing Standards issued by the Comptroller General of the United States, and Office of Management and Budget (OMB) Circular A-133, Audits of the United States, Local Governments and Non-Profit Organizations.
- c) The audit will produce an opinion encompassing all of the considerations listed above. In addition, a separate opinion on the basic financial statements only will be provided to accompany official statements prepared by the City to secure debt financing.
- d) Periodic progress reviews will be scheduled with the City's Finance Director to discuss areas of concerns and potential problems. Any areas of concern which may require more immediate action will be discussed with the City Manager.
- e) The firm will provide a report which should address any material weakness or significant deficiency in internal controls and other matters which may have a significant effect on the financial operations of the City.

- f) The firm will complete the examination and deliver the required statements and related footnotes which comprise the financial section of the Comprehensive Annual Financial Report by May 15th of the following year.
- g) The firm will provide periodic technical assistance throughout the contract period at no additional cost to the City.
- h) City personnel will provide assistance in the preparation of work papers, as determined by the firm.
- i) The following list of requirements must be present in each proposal, please include a separate listing of any exceptions to the bid specifications.

5. Proposal Requirements

- a) Describe how you would approach the audit, including the manner in which you intend to use computer-assisted auditing procedures and statistical sampling techniques. If statistical sampling techniques will not be used, indicate how sampling will be done.
 - i. The scope of the examination shall include the basic financial statements of the City as set forth in Government Accounting Standards Board Statement #34.
 - ii. The financial statements of the Bradford Memorial Library shall be included in the City's Comprehensive Annual Financial Reports as a component unit. In addition, the City will assist the audit firm in applying the criteria set forth in GASB Statement #39, Determining Whether Certain Organizations are Component Units.
 - iii. A separate report on the financial statements of the City of El Dorado Fireman's Relief Association and preparation of that association's Form 990 and a separate report on the financial statements of the El Dorado Senior Center, Inc. (including only the activity maintained by the City of El Dorado) will be required.
- b) Describe the procedures to be followed in the technical review of audit reports prior to their issuance by qualified personnel, independent of the audit engagement personnel. Who are these personnel and how are they qualified?
- c) Identify the partners, managers, and key staff members who would be assigned to the audit. Describe their roles and provide a brief description of their professional experience, including experience in governmental auditing.
- d) Describe the experience the individuals in Item c have with the G.F.O.A. Certificate of Achievement Program.
- e) Describe the experience the individuals in Item c have in providing assistance in preparation of official statements for long-term debt financing.
- f) List three references of present or former Kansas governmental clients which key members of the engagement team have served.
- g) Identify your firm's current governmental auditing engagements as well as those which have been served within the last five years. Those governmental units that received a Certificate of Achievement for Excellence in Financial Reporting should be identified.
- h) Explain how you would use City personnel to assist you during the audit, and indicate the approximate time requirements to be placed upon them.

- i) Describe your firm's personnel development programs and your continuing professional educational requirements. Identify specialized programs in the area of governmental accounting and auditing.
- j) Describe the experience and knowledge which your firm and your local office have in federal programs, including such matters as grant processes, program regulations and guidelines, management responsibility, compliance requirements and auditing and evaluation.
- k) Describe your firm's capability to provide management consulting services to governmental units, and identify your office consultants who are currently available to provide such services.
- l) Confirm your firm is in compliance with the legal and administrative requirements and amendments of the Civil Rights Act of 1964.
- m) Provide the maximum fee associated with your primary requirements to examine the basic financial statements and required supplementary information included in the City's Comprehensive Annual Financial Report. Please include any anticipated increases for each year of the contract.
- n) Provide the maximum fee for the conduct of an audit under provisions of the Single Audit Act of 1996, as amended. Please include any anticipated increases for each year of the contract.
- o) Provide a copy of your most recent AICPA peer review.
- p) Provide any other information which you believe the City would need in making its selection.

6. Submission of Responses

- a. Acceptance/Rejection/Modification to Responses: The City of El Dorado reserves the right to reject any or all RFP's, waive any irregularities or informalities and select the best RFP in the opinion of the governmental unit. Failure to enter into a subsequent contract within a certain time period will render the RFP invalid.
- b. Economy of Preparation: Responses should be prepared simply and economically, providing a straightforward, concise description of the respondent's ability to fulfill the requirements of the recruitment.
- c. Cost of Preparation: The City shall not be liable for any costs incurred by a respondent in preparing or submitting a proposal.
- d. Ownership: Submitted materials become the property of the City and will not be returned.
- e. Public Records: All firms submitting proposals need to be aware that any submission is subject to public inspection under the Kansas Open Records Act.

7. Other Terms and Conditions

- a. Conflict Of Interest: No public official shall have interest in the contract.
- b. Ethics: The consultant shall not offer or accept gifts of value nor enter into any business arrangement with any employee, official or agent of the City of El Dorado.
- c. Indemnification: The successful proposer shall defend, indemnify and save harmless the City of El Dorado and all its officers, agents, employees and volunteers from all suits,

actions or other claims of any character, name, and description brought for or on account of any injuries or damages received or sustained by any person, persons, or property on account of any negligence, or act or fault of the successful proposer, or any agent, employee, subcontractor or supplier in the execution of, or performance under, any contract which may result from the proposal award. The successful proposer shall pay any judgment with costs that may be obtained against the City of El Dorado growing out of such injury or damages.

8. Due Date / Submission Instructions

Proposals should be delivered to:

The City of El Dorado
Attn: Tabitha Sharp, City Clerk
220 E. First
El Dorado, KS 67042
RFP Audit Services

The City Clerk must receive one hard copy of the proposal no later than August 19th at 10:00 a.m.

9. Selection Process

- a. Evaluation: The City of El Dorado will review all responses and evaluate them based upon the requirements given in this Request for Bids including, but not limited to, the following criteria:
 - i. Responsiveness of the proposal.
 - ii. Ability, capacity, and skill of the respondent to perform the services.
 - iii. Responses of the respondent's references.
 - iv. Methodology for conducting the campaign.
 - v. Experience of the respondent and individual members of the respondent's professional staff in performing similar services for similar sized municipalities.
 - vi. Experience with diverse candidates and placements, including female and minority candidates.
 - vii. The sufficiency of financial resources and ability of the respondent in performing the contract.
 - viii. The degree of participation by qualified minorities within the firm and/or sub-contracts with minority or women-owned business enterprises.
 - ix. The firm's capability to meet the Scope of Work.
 - x. The qualifications of the professional staff proposed for the bid.
 - xi. Other information as may be required or secured.
- b. Award Presentation: Subject to agreement negotiation, the City Commission shall select one of the proposals, or will reject all proposals within ninety (90) calendar days from the date of August 19, 2020.
- c. Contract Development: If the City selects a firm, the City will conduct contract discussions and negotiations, if necessary, with the apparent successful respondent with the assistance of the City Attorney.