

THE CITY OF RIVERSIDE, MISSOURI

REQUEST FOR PROPOSAL FOR AUDIT SERVICES AND ANNUAL COMPREHENSIVE FINANCIAL REPORT

**Deadline for Proposals:
Tuesday, May 2, 2023, at 2:00pm**

**City of Riverside, Missouri
Finance Department
2950 NW Vivion Road
Riverside, Missouri 64150**

City of Riverside Missouri Request for Proposal

Audit Services & Annual Comprehensive Financial Report

I. INTRODUCTION

A. GENERAL STATEMENT

The City of Riverside (City) is requesting proposals from Professional Qualified Certified Public Accountant (CPA) Firms for audit services for the fiscal year ending June 20, 2023, with renewals for each of the four (4) subsequent fiscal years unless 180 days' notice is provided otherwise by the City. A copy of the City's June 30, 2022 Annual Comprehensive Financial Report (ACFR) may be accessed on the City's website at:

<https://www.riversidemo.gov/departments/finance/budget.php#outer-117>

B. BACKGROUND

The City of Riverside is a fourth-class municipality in Platte County, MO with a Board- Administrator form of government. The daily operations are under the direction of a professional City Administrator.

The City is organized with Departments for Administration, Finance, Fire, Police, and Public Works. The Finance Department consists of a Finance Director, a Senior Accountant, and an Administrative Assistant. The City's expenditure for the General Fund was \$11 million, and for all funds totaled \$24 million, for the fiscal year ending June 30, 2022. The City has Police and Fire departments. The City does not provide any utility services or have a property tax. The major revenue sources for the City are gaming lease / revenue from the Argosy Casino, sales and use taxes, and TIF revenue. The City's financial records and payroll records are maintained using Tyler Incode/ ERP Pro version 10.

The Annual Comprehensive Financial Report must be issued to allow the ability for distribution to required parties such as bond trustees, the Missouri State Auditor and for submission to the Government Finance Officers Association for the Certificate of Achievement in Financial Reporting.

The Finance Department requires approximately 60 days for closing of the City's financial records after the end of the fiscal year. Audit work will be mutually scheduled, and the City will provide adequate work area for audit staff. The City is open to entering into an agreement with remote / offsite audit firms and does not require field work to be done onsite. The Finance Department staff will be available for any records and/or data required to complete the audit Firm's report on an efficient and timely basis.

The City has received the Certificate of Achievement for Excellence in Financial

Reporting from the Government Finance Officers Association and intends to continue submitting the City's future Annual Comprehensive Financial Reports for this certification. The Finance department experienced a significant turnover in FY 2021-22, with the entire department turning over in March 2022. A new director was brought on in May 2022. Staff expects a smoother year end close with fewer audit findings, and is anticipating a separate engagement with an accounting consultant firm to assist.

In addition, the City has entered into an engagement with Debtbook to manage the implementation of GASB 96, and ongoing obligations with GASB 87.

The City's financial records and payroll records are maintained using Tyler Incode/ ERP Pro version 10.

II. SCOPE OF SERVICES

A. AUDIT OBJECTIVES

The selected Firm will be asked to perform an audit and express an opinion on the City's financial statements in accordance with auditing standards generally accepted in the United States of America as set forth by the American Institute of Certified Public Accountants, the standards for financial audits set forth in the U.S. Government Accountability Office's Government Auditing Standards, the provisions of the Single Audit Act of 1984 (as amended in 1996) and the provisions of U.S. Office of Management and Budget (OMB) CFR 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

The City desires the auditor to express an opinion on the fair presentation of its governmental activities, its business-type activities, its discretely presented component unit, each of its major funds, and its aggregate remaining fund information in conformity with generally accepted accounting principles.

The City also desires the auditor to express an opinion on the fair presentation of its combining and individual fund financial statements and schedules in conformity with generally accepted accounting principles. The auditor is not required to audit the supporting schedules contained in the comprehensive annual financial report. However, the auditor is to provide an "in-relation-to" opinion on the supporting schedules based on the auditing procedures applied during the audit of the basic financial statements and the combining an individual fund financial statements and schedules. The auditor is not required to audit the introductory section of the report or the statistical section of the report. The auditor shall also be responsible for performing certain limited procedures involving required supplementary information required by the Governmental Accounting Standards Board as mandated by generally accepted auditing standards.

The audit shall include the following:

- Provide a list of documents and schedules required for the audit prior to audit work commencing.
- All tests and examinations are necessary for an informed opinion of the financial statements.
- Performance of a Single Audit, if necessary. The City has not previously met the threshold for a single audit. If a single audit is required, the selected Firm will be utilized. The City does not anticipate requiring a single audit in the current fiscal year.
- Completion of the audit with the final report issued by January 31.

B. ANNUAL COMPREHENSIVE FINANCIAL REPORTS

- Compilation of the financial statements and all related materials for the Annual Comprehensive Financial Reports compliant with the GFOA standards for the Certificate of Achievement award, including financial statements and footnotes
- In addition, the final ACFR report will be provided to the City in PDF, and all financial statements will be provided to the city in an excel format.
- This includes all typing, printing, and binding of final ACFR reports.
- The City will be responsible for preparing the Management Discussion and Analysis narrative portion of the Financial Section, but the auditing Firm will provide the numbers, charts, and graphs for the MD&A and will include the MD&A in the final report;'
- Completion of the audit and all reports in a timely manner to distribute the draft reports to the City by December 31, with the final reports being issued when the audit is complete, by January 31.

C. DELIVERABLES

The Firm will provide the following items:

- Up to 20 printed, bound Annual Comprehensive Financial Reports copies and an electronic copy. The City shall retain the right to make additional copies as it deems necessary and appropriate,
- Respond in writing to any GFOA exceptions noted on the previous year's Annual Comprehensive Financial Reports for the Certificate of Achievement for Excellence in Financial Reporting Program
- Presentation of the Audited Financial Report by the Firm to the Mayor and Board at a public meeting. This meeting is the only meeting the City requires the audit firm to be on site for. All other meetings may be conducted remotely via zoom / teams / etc., if is the preference of the firm.
- A separate Management Letter to the Mayor and Board of Aldermen,

containing any recommendations for the improvement of organizational effectiveness, internal controls and/or accounting controls, with the letter to include responses from City Management.

- A report on the fair presentation of the financial statements in conformity with generally accepted accounting principles, including an opinion on the fair presentation of the supplementary schedule of expenditures of federal awards in relation to the audited financial statements.
- A report on compliance and internal control over financial reporting based on an audit of financial statements.

III. PROPOSAL CONTENT REQUIREMENTS

To simplify the review process and to obtain the maximum degree of comparability, the proposal must follow the outline as set below and, at a minimum, contain the required information. All proposals must be submitted in the following format and include all of the required information.

The proposal requirements are as follows.

- A. Describe your Firm's approach to conducting the audit examination, including your understanding of the scope of the services to be provided and the reports and documents required. It should indicate the approximate date the audit will begin and end, including estimated time for fieldwork. Include a copy of your Firm's most current peer review report.
- B. Describe the Firm's governmental auditing experience including specific details regarding experience in the preparation of an Annual Comprehensive Financial Report.
- C. Provide a list of at least three (3) municipal government references where your Firm has conducted an audit in the past 36 months. This list should indicate the scope of the audit and the names and contact information of the references.
- D. Provide brief biographies of the staff who will be assigned to the engagement and the relevant experience of each in auditing municipalities and preparing Annual Comprehensive Financial Reports. This should include the position in the firm, and years of experience, the supervision to be exercised over the audit team by the Firm's management, and the size / structure of the Firm as it relates to the capability to meet the services required by the City.
- E. Provide a Firm, fixed fee for the audit services as described in the Scope of Services on the Proposed Schedule of Compensation for Audit Services attached for the years ending (subject to City's option):

1. June 30, 2023;
2. June 30, 2024;
3. June 30, 2025;
4. June 30, 2026;
5. June 30, 2027;

IV. SELECTION CRITERIA

The procurement process for these services will be based upon a Qualifications Based Selection (QBS) process. The award of a contract will be made to the Firm offering a proposal which the City believes best meets its needs. Each respondent will be evaluated based on the following criteria:

- A. Qualifications and experience of the Firm,
- B. Qualifications of the key individuals to be assigned to the City's engagement,
- C. Understanding of the Scope of Services,
- D. The ability to complete the audit in a timely manner,
- E. References; and
- F. Costs. Cost will not be the primary factor in the selection of an audit firm.

V. OTHER CONSIDERATIONS

- A. Firms making proposals are required to state that they and their assigned employees do not currently have, nor will they have, any conflict of interest between themselves and the City. Any perceived or potential conflict of interest must be disclosed in the proposal.
- B. Payment for services rendered will be based upon receipt of an itemized invoice(s) from the Firm. Progress billing is acceptable to the City.
- C. All proposals become the property of the City and will be kept in confidence only as state law allows. The invitees and subsequently selected Firm may not issue news releases or other public notification regarding this project without prior approval from the City.
- D. All reports become the property of the City for use as deemed appropriate. Audit work papers must be available for reference and reproduction by the City for a period of three years from submission of the final reports. Copies of adjusting entries and trial balance, if applicable, will be provided to the City upon completion of the audit.
- E. Meetings: Audit related meetings might be held as needed during the audit engagement. Attendees at all official meetings should include, at minimum, the

Firm's designated representative(s) and the City's Finance Director.

Official meetings include, but are not limited, to:

- Planning meetings held prior to the start of audit work each year.
- Progress meetings to gauge audit progress and to assist facilitating the timely completion of the audit.
- Exit conferences held at the end of the audit to discuss findings and recommendations resulting from the audit work performed.
- Presentation of audit to the Board of Alderman, at an open session meeting. This is the meeting only meeting the City requires an on-site presence by the audit firm.
- Special meetings scheduled when matters involving potential fraud, theft, misuse, or misrepresentations on financial or grant reports, or similar matters are discovered that require notification and/or the determination of a course of action.

VI. MISCELLANEOUS INFORMATION

The following items are related to proposal acceptance.

- A. The City of Riverside reserves the right to reject any and all proposals or to waive any irregularities and omissions if, in its judgement, the best interest of the City is served. The City may accept the proposals in whole or in part and to negotiate separately as necessary to serve the best interests of the City.
- B. Neither the distribution of this RFP nor acceptance of any response should be construed as creating a contractual obligation between the City and any Firm. Riverside does not authorize and will not be responsible for any expense or charges associated with providing a response to the RFP.
- C. The Finance Director will make notification of the award. Firms whose proposals are not accepted will be notified in writing.
- D. A staff recommendation for the successful Firm will be made to the Mayor and Board for final approval, including approval of the contract between the City and the Firm.
- E. The proposal must remain valid for at least sixty (60) days, after the submittal date.
- F. All questions regarding this Request for Proposal should be directed to:

Erika Benitez, Finance Director
[E-mail: ebenitez@riversidemo.gov](mailto:ebenitez@riversidemo.gov)

G. SUBMISSION OF PROPOSALS

- To be considered, sealed proposals must be received no later **than May 2, 2023, at 2:00 PM CST.** The city requests four copies of the proposal, and the Proposed Schedule of Compensation.
- Proposals may be delivered in person, by carrier, or by mail. It is the sole responsibility of the vendor to see that his/her proposal is received prior to the due date. Proposals submitted via email or proposals submitted after the submittal deadline will not be considered.

H. PROPOSED PROCESS AND TIMELINE

- April 7, 2023, RFP issued and posted on the City of Riverside website.
- May 2, 2023, Receipt of proposals due by 2:00PM Central Time.
- May 3, 2023, A selection committee will evaluate the proposals and select a preferred respondent to begin contract negotiations. If multiple Firms have exceptional proposals, the selection committee will select a short-listed group of finalists for interviews.
- May 5-12, 2023, Short-listed Firms are interviewed (at City's option)
- May 16, 2023, Preferred Firm is approved by Board of Aldermen and Board of Aldermen acts on recommended contract.
- May 17, 2023, Notice to Proceed

