



**REQUEST FOR PROPOSAL**

**AUDIT OF DISTRICT'S FINANCIAL STATEMENTS**

**Proposal Submission Deadline: May 7, 2021 at 4:00 P.M.**

**Proposals will be Opened: May 10, 2021 at 6:30 P.M.**

**Norwood Park Fire Protection District  
District Administrative Office  
7447 W. Lawrence Avenue  
Harwood Heights, IL 60706  
(708) 867-5428 (Office)**

**BOARD OF TRUSTEES**

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Fire Chief David Blondell

April 12, 2021

## **Request for Proposal**

### **INTRODUCTION**

#### **General Information**

The Board of Trustees of the Norwood Park Fire Protection District (“the Fire District”) is requesting proposals from qualified firms of certified public accountants to audit the Fire District’s financial statements for the fiscal year ending June 30, 2021, through the fiscal year ending June 30, 2023. The continuation of the contract after each year is solely at the discretion of Board of Trustees.

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

To be considered, all proposers must submit a copy of the proposal no later than May 7, 2021 to:

Chief David Blondell  
7447 W. Lawrence Ave.  
Harwood Heights, IL 60706  
Chief@norwoodparkfire.org

During the evaluation process, the Fire District reserves the right to request additional information or clarifications from proposers or to allow corrections of errors or omissions.

The Fire District reserves the right to retain all proposals submitted and to use any ideas in the proposals regardless of whether the proposal is selected. Submission of a proposal indicates acceptance by the firm of the conditions contained in this request for proposal, unless clearly and specifically noted in the proposal submitted and confirmed in the contract between the Fire District and the firm selected.

It is anticipated the selection of a firm will be completed and a contract awarded by June 14, 2021.

## **Term of Engagement**

The Fire District expects to enter a three-year contract, subject to annual review by the Fire District, the satisfactory negotiation of terms, including a price acceptable to both the Fire District and the selected firm.

In the event of a merger of the audit firm with another firm or certified public accountant(s) or the change of partners to the audit firm, this contract will be transferable to the successor firm with the approval of the Fire District.

No contract awarded by the Fire District shall be assigned, transferred or any part subcontracted without the written approval of the Fire District.

## **Scope of Work to be Performed**

To meet the requirements of this request for proposal, the audit shall be performed in accordance with Generally Accepted Auditing Standards as set forth by the American Institute of Certified Public Accountants. These audits are to be performed in accordance with the provisions included in this request for proposal. The Fire District desires the auditor to express an opinion on the fair presentation of its general-purpose financial statements in conformity with Generally Accepted Accounting Principles.

The auditor shall also be responsible for preparing the supplementary information required by the Government Accounting Standards Board as mandated by Generally Accepted Auditing Standards.

The auditors shall provide to the Fire District all audit adjustments including the appropriate backup documentation and will meet with staff, if requested, to discuss these final adjustments.

The auditors will complete the following RSI which is required by generally accepted accounting principles and will be subject to certain limited procedures, but will not be audited:

1. Management's Discussion and Analysis
2. Schedule of Revenues, Expenditures, and changes in Fund Balance- Budget and Actual, for the General Fund and any major special revenue funds.
3. Schedule of Employer Contributions for the Illinois Municipal Retirement Fund and the Firefighters' Pension Fund.
4. Schedule of Changes in the Employer's Net Pension Liability and Related Ratios for the Illinois Municipal Retirement Fund and Firefighters' Pension Fund.
5. Schedule of Investment Returns for the Firefighters' Pension Fund.
6. Schedule of Changes in the Employer's Total OPEB Liability for the Postemployment Benefit Plan.
7. Notes to Required Supplementary Information.

## **Irregularities and Illegal Acts**

The auditors shall be required to make an immediate written report of all irregularities and illegal acts or indications of illegal acts of which they become aware to the Fire District.

## **Reports to be Issued**

Following the completion of the audit of the fiscal years' financial statements, the auditor shall issue a report on the fair presentation of the general-purpose financial statements in conformity with Generally Accepted Accounting Principles.

The auditor shall prepare the following reports at the completion of the audit, including any electronic filing that is required:

1. An Annual Financial Report on the examination of the financial statements of the Fire District including all funds and account groups. The auditor will prepare all financial statements and notes to the financial statements.
2. A management report containing comments and recommendations regarding a municipality's system of internal controls; that is, its methods of safeguarding its assets, ensuring the accuracy of its financial information, promoting efficiency and adhering to municipal policies. This letter should contain comments and recommendations for controlling any internal weaknesses discovered and shall be reviewed by the Fire District before finalizing.
3. An Annual Financial Report on the examination of the financial statements of the Fire Pension Fund. The auditor will prepare all financial statements and notes to the financial statements.

## **Working Paper Retention and Access to Working Papers**

All working papers and reports must be retained, at the auditor's expense, for a minimum of five years, unless the firm is notified in writing by the Fire District of the need to extend the retention period. The auditor will be required to make any and all working papers available, upon request, to the Fire District.

In addition, the firm shall respond to the reasonable inquiries of successor auditors and allow successor auditors to review working papers relating to matters of continuing significance.

## **DESCRIPTION OF THE FIRE DISTRICT**

### **Principal Contact**

The auditor's principal contact who will coordinate the assistance to be provided by the Fire District to the auditor will be Administrative Assistant Cyndi Stec. During the Audit completion, the Firm will also be working with the representatives from Lauterbach &

Amen.

## **TIME AND REPORT REQUIREMENTS**

### **Audit Calendar**

Fieldwork completed by the last week of September.

Draft reports completed by the middle of October.

All final printed and bound reports by November 5, 2021

### **Report Requirements**

Other services expected to be performed during the audit of financial statements as of and for the year ended June 30, 2021 and other deliverables are as follows:

1. Prepare two (2) copies and an electronic copy (.pdf) of the Annual Financial Report of the District (Management's Discussion and Analysis provided by the District).
2. Prepare two (2) copies and one electronic copy (.pdf) of the management letter.
3. Prepare one (1) electronic filing of the Illinois Comptroller Annual Financial Report.
4. Prepare two (2) copies and an electronic copy (.pdf) of the Annual Financial Report of the Fire Pension Fund.

## **PROPOSAL REQUIREMENTS**

### **Deadline to Submit Proposal**

Completed proposals must be received by May 7, 2021 by 4:00PM.

### **Inquiries**

Inquiries concerning the request for proposal and the subject of the request for proposal must be made to Chief Blondell or Cyndi Stec.

### **Independence**

The firm should provide an affirmative statement that it is independent of the Fire District as defined by Generally Accepted Auditing Standards.

### **Firm Qualifications and Experience**

The proposal should state the size of the firm, the size of the firm's governmental audit staff, the location of the office from which the work on this engagement is to be performed and the number and nature of the professional staff to be employed in this engagement on a full time and part time basis.

The firm should identify the principal supervisory and management staff including engagement partners, managers, other supervisors and staff who would be assigned to this engagement and indicate whether each such person is registered as a certified public accountant in Illinois. The firm should also provide information on the government

auditing experience of each person.

Audit personnel may be changed at the discretion of the proposer if replacements have substantially the same or better qualifications or experience. The Fire District retains the right to approve or reject replacements.

### **Similar Engagements with Other Government Entities**

For the firm's office that will be assigned responsibility for the audit, list the most significant engagements performed in the last three years that are similar to the engagement described in this request for proposal. Specifically identify those engagements at which the managers and other supervisors who will be assigned to the Fire District engagement have worked.

### **Identification of Anticipated Potential Audit Problems**

The proposal should identify and describe any anticipated potential audit problems, the firm's approach to resolving these problems and any special assistance that will be requested from the Fire District.

### **DOLLAR COST**

#### **Total All Inclusive Maximum Cost**

The price should specify all pricing information relative to performing the audit engagement as described in this request for proposal. The total all inclusive maximum price is to include all direct and indirect costs including all out of pocket expenses.

The Fire District will not be responsible for expenses incurred in preparing and submitting the proposal. Such costs should not be included in the proposal.

#### **Rates by Partner, Supervisory and Staff Level Times Hours Anticipated for Each**

The cost schedule should include a schedule of professional fees and expenses broken into the above categories, if appropriate.

### **EVALUATION CRITERIA**

#### **Mandatory Elements**

1. The audit firm is independent and licensed to practice in the State of Illinois.
2. The audit firm's professional personnel have received adequate continuing professional education within the preceding three years.
3. The firm has no conflict of interest with regard to any other work performed by the firm for the Fire District.

4. The firm submits a copy of its most recent external quality control review report and the firm has a record of quality audit work.
5. The firm adheres to the instructions in this request for proposal on preparing and submitting the proposal.
6. The firm has an understanding of the specific needs of the Fire District as it relates to the audit engagement.

### **Technical Qualifications**

1. The firm exhibits expertise based on implementation of all GASB Pronouncements, past experience and performance on comparable government engagements.
2. The quality of the firm's professional personnel to be assigned to the engagement and the quality of the firm's management support personnel to be assigned to the engagement will also be considered.

As part of the evaluation process, the Fire District may request a meeting with the audit team.

### **Price Consideration**

Cost will not be the primary factor in the selection of an audit firm.

### **Final Selection**

The Fire District will select a firm based upon the evaluation criteria. It is anticipated that a contract will be awarded by June 14, 2021

### **Right to Reject Proposals**

Submission of a proposal indicates acceptance by the firm of the conditions contained in this request for proposal unless clearly and specifically noted in the proposal submitted and confirmed in the contract between the Fire District and the firm selected.

The Fire District reserves the right without prejudice to reject any or all proposals.