

**REQUEST FOR PROPOSAL**

**City of Houston, Missouri**

Auditing Services

Contact Scott Avery, City Administrator

[cityadministrator@houstonmo.org](mailto:cityadministrator@houstonmo.org)

Sealed Responses due before 3:00 p.m. CST, December 3, 2021

To Heather Sponsler  
City Clerk  
601 S Grand Ave  
Houston, MO 65483  
Telephone: 417-967-3348

## **Proposal Guidelines**

- **Response:** Three (3) bound copies and one (1) flash drive, of the Auditor's response each should be submitted to the City of Houston, Missouri City Clerk, Heather Sponsler, 601 S Grand Ave, Houston, MO 65483. Responses are to be marked “**Auditing Services**”. Electronic or facsimile offers will not be considered in response to this RFP, nor will modifications by electronic or facsimile notice be accepted. In order to be considered, you must respond to each separate inquiry in the Request for Proposal listed under "Proposal Format and Contents."

Incomplete responses will not be considered. The City reserves the right to request clarifications concerning information provided in the response. The City is not liable for any cost or expense incurred by the Audit Firm in responding to this Request for Proposal. All responses shall remain valid and binding for a period of ninety (90) calendar days from the proposal submission date.

- **Response Deadline:** Responses must be received by **3:00 p.m. CST, December 3, 2021**. Responses received after the deadline will not be opened and will be returned.

**REQUEST FOR PROPOSAL  
AUDITING SERVICES  
INTRODUCTION AND DESCRIPTION OF OPERATIONS**

The City of Houston is soliciting proposal for the City's annual audit for three years beginning with the fiscal year ending December 31, 2021, and related financial advisory services during and throughout the course of the year. It is the intent of the City to engage professional accounting services from a qualified CPA firm through a process subsequent to: 1) an evaluation and comparison of past performance, appropriate references, prior experience in other municipalities and counties and expertise related to the City's specifications; and 2) the identification of available professional services that may or may not have been used by the City previously. Specifications pertaining to the scope of the City's audit are outlined below, as well as the criteria that will be used in evaluating the qualifications of firms submitting proposals.

**DESCRIPTION OF THE CITY AND RECORDS TO BE AUDITED**

The City of Houston operates under the Mayor/Council/City Administrator form of government. The City is a 4<sup>th</sup> class city with a population of 2,075. The City does have a component unit.

**FUND STRUCTURE**

The annual audit shall encompass all funds of the City of Houston, Missouri including, but not limited to the following:

General Fund  
Cemetery Fund  
Electric Fund  
Water Fund

**ASSISTANCE AVAILABLE FOR PROPOSERS**

KPM CPAS & ADVISORS PC 1445 East republic Road Springfield, MO 65804 completed the City's audit for fiscal year ended December 31, 2020.

The City will provide adequate work area for the auditing staff. City staff will be available to answer questions and for consultation as needed. Minor clerical assistance will be provided (typing of confirmations, pulling and refiling documents, etc.).

The annual audit shall be of sufficient depth and scope to enable the auditor to produce an unmodified audit report, if appropriate. The audit must be performed in accordance with generally accepted auditing standards, the standards for financial and compliance audits contained in the Government Auditing Standards. The Schedule of Expenditures of Federal Awards will need to be completed as required by Title 2 U.S *Code of Federal Regulations* (CFR) part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*.

## **SELECTION PROCESS**

The qualifications of the firms submitted proposals will be reviewed by a committee comprised of the City Administrator, City Clerk and Finance Committee. This group will make a recommendation to the Council and may do so with or without an interview.

## **PROPOSAL FORMAT AND CONTENTS**

Responses to this Request for Proposal shall include the following information and the format shall be followed as shown. Incomplete proposals will not be accepted.

### Table of Contents

Include a clear identification of the material by section and by page number.

### Scope Section

Clearly describe the scope of the required services to be provided.

### Audit Approach

Clearly describe your firm's approach to conducting the audit as proposed.

### Profile of the Firm

Provide the location of the office from which the work is to be performed and the number of partners, managers, supervisors, seniors and other professional staff employed at that office.

Identify the staff who will be assigned to this audit. Resumes of each person to be assigned to the audit must be included and should contain specific municipal and utility auditing experience.

Describe the range of activities performed by the local office in the governmental area such as audit, accounting and management services. Include activities that demonstrate your commitment to the municipal governmental practice.

Briefly describe your firm's quality control policies and procedures. State whether or not those policies and procedures are subjected to the profession's "peer review" program to provide for an independent review of their effectiveness.

### Governmental Experience

Describe the most recent audits (along with dates) of municipalities that were conducted by the group proposed to undertake this audit. List names and telephone numbers of client officials responsible for those audits.

Also, include your firm's experience in assisting governmental entities in the reporting model changes as promulgated under recent GASB statements.

### Insurance Requirements

The City requires that proposing Firms have professional liability insurance coverage of at least three million dollars.

### Additional Data

Give any additional information considered essential to this proposal, including involvement in state and municipal government organizations, seminars, etc.

## **EVALUATION CRITERIA**

Proposals will be evaluated on the basis of the qualifications of the office in the firm which will actually be performing the audit work. Following are some of the factors which will be considered:

- Experience and qualifications of firm and audit team.
- Compliance with Government Auditing Standards and the responsiveness to the specific terms of this request for proposal..
- Participation and attendance in governmental-based and/or GFOA sponsored CPE courses.
- Single audit experience.
- Extensive knowledge and/or experience in the requirements of the new reporting of infrastructure as mandated by GASB.
- Number and scope of current city and other local government clients.
- Provided References.
- Consulting capabilities available.
- Fees.

## **FEES**

Proposals that are submitted in response to this letter should include a proposed fee of the firm's charge to perform the City's audit attached in a separate sealed envelope to the firm's copy of the qualifications section and identified as "Cost Data". The fees need to be broken down by year.

It is anticipated that the firm selected to serve as the City's auditor will be retained for three years, with the City holding the option of retaining the same auditor for at least the succeeding three years.

If your firm desires to present its qualifications to the selection committee, please submit three copies to the City Clerk by 3:00 p.m. December 3, 2021. To assist you in preparing your proposal, copies of our annual audit for the fiscal year ended December 31,2020 are available upon request. If you desire any additional information, clarification or would

like to visit the City of Houston to review our financial records before preparing your proposal, please contact me at 417-260-1733.

The City of Houston reserves the right to reject any or all bids or waive any irregularities that is in the best interest of the City. Furthermore, the professional accounting services engaged will be from the firm which, in the opinion of the City, is the best qualified to perform the City of Houston's audit.

## Request for Proposals

The City of Houston is accepting Request for Proposals for auditing services. Specifications can be obtained by contacting City Administrator Scott Avery at 417-260-1733. Proposals should be submitted in a sealed envelope marked Proposal for auditing services and returned to City Clerk Heather Sponsler, 601 S. Grand Ave, Houston Mo, 65483 by December 3, 2021 at 3:00 p.m. The City of Houston reserves the right to reject any or all bids or waive any irregularities that is in the best interest of the City.