



**TOWN OF DURHAM**

**REQUEST FOR PROPOSAL**

**AUDITING SERVICES**

The Town of Durham, through the Board of Finance, is requesting proposals from qualified firms of certified public accountants, in accordance with the provisions of the Connecticut General Statutes, to conduct an examination and to render an opinion on the comprehensive annual financial statements of the Town of Durham.

Respondents are required to submit one (1) original and five (5) copies and one electronic copy of a sealed proposal by no later than, Friday, December 8, 2023, at 2:00 p.m. at the Office of the First Selectman, Durham Town Hall, P.O. Box 428, 30 Town House Road, Durham, CT. The envelope shall be marked "RFP Auditing Services".

The complete Request for Proposal package will be available at the Office of the First Selectman or may be accessed from the Town of Durham's website at [www.townofdurhamct.org](http://www.townofdurhamct.org) or on the Department of Administrative Services procurement website at <https://portal.ct.gov/DAS/CTSource/BidBoard>. Proposals received after that date and time will be rejected.

Inquiries regarding the specifications should be submitted in writing only to [financedept@townofdurhamct.org](mailto:financedept@townofdurhamct.org).

The Town of Durham reserves the right to reject any or all Proposals, or waive defects in same, if it deems such to be in the best interest of the Town of Durham.

George M. Eames IV  
First Selectman

## **I. INTRODUCTION**

### **A. General Information**

The Town of Durham is requesting proposals from qualified firms of certified public accountants to audit its financial statements for the fiscal year ending June 30, 2024, with the option of auditing its financial statements for each of the four (4) subsequent fiscal years. These audits are to be performed in accordance with generally accepted auditing standards, the provision of the federal Single Audit Act of 1984, as amended in 1996, U.S. Office Management and Budget (OMB) Circular A-133, Audit of States, Local Governments and Non-Profit Organizations, and in conjunction and conformity with sections 4-230 through 4-236 of the Connecticut General Statutes regarding the state Single Audit Act.

There is no expressed or implied obligation for the Town of Durham to reimburse firms for any expense incurred in preparing proposals in response to this request.

To be considered, the Town of Durham must receive one (1) original and five (5) copies of a proposal by 2:00 p.m. on Friday, December 8, 2023. The Town of Durham reserves the right to reject any or all proposals submitted.

During the evaluation process, the Board of Finance of the Town of Durham reserves the right, where it may serve the Town of Durham's best interest, to request additional information or clarification from proposers, or to allow corrections of errors or omissions. At the discretion of the Board of Finance, firms submitting proposals may be requested to make oral presentations as part of the evaluation process.

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

### **B. Terms of Engagement**

A one (1) year contract together with a Town option to extend, at Town's sole discretion, for four (4) successive one (1) year periods is contemplated. If the Town exercises its option to extend, the exercise of each option shall be subject to the annual review and recommendation of the Audit Sub-Committee, the concurrence of the Board of Finance and the annual availability of an appropriation. The agreement shall become effective immediately upon execution by all parties of a contract, in a form acceptable to the Town, with implementation of all specified services to take place for the audit of fiscal year ending June 30, 2024. Either party may terminate this agreement for auditing services by serving written notification to the other no later than December 31 of the fiscal year to be audited.

### **C. Qualifying Requirements**

Firms submitting proposals must be qualified to perform independent audits of municipalities of the State of Connecticut. The firm must have been engaged during the fiscal year ending June 30, 2022, as independent Auditors for the purpose of rendering an opinion on the annual financial statements of at least three (3) Connecticut municipalities. The auditor's offices must be located within the State of Connecticut, and resident staff must be able to offer the full range of auditing services required by this Request for Proposal.

## **II. NATURE OF SERVICES REQUIRED**

### **A. General**

The Town of Durham is soliciting the services of qualified firms of certified public accountants to audit the basic financial statements for the Town of Durham for the fiscal years ending June 30, 2024, with options for extensions for the fiscal years ending 2025, 2026, 2027, and 2028. These audits are to be performed in accordance with the provisions contained in this request for proposals.

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

The Town of Durham desires the auditor to express an opinion on the fair presentation of its basic financial statements in conformity with generally accepted accounting principles.

### **C. Auditing Standards to be Followed**

To meet the requirements of this request for proposals, the audit shall be performed in accordance with generally accepted auditing standards as set forth by the American Institute of Certified Public Accountants, the standards for financial audits set forth in the U.S. Comptroller General's Government Auditing Standards, the provision of the Single Audit Act Amendments of 1996, the provisions of U.S. Office of Management and Budget (OMB) Circular A-133, Audits of States, Local Governments and Nonprofit Organizations, and in conjunction and conformity with sections 4-230 through 4-236 of the Connecticut General Statutes (the State Single Audit Act).

### **D. Reports to be Issued**

Separate financial statements are to be issued for the Town of Durham annual report and any required single audit reports. Following the completion of the audit of the fiscal year's financial statements, the auditor shall issue, as required by generally accepted auditing standards, and government Auditing standards, OMB Circular A-133, and the Connecticut General Statutes, including but not limited to the following:

- A report on the fair presentation of the financial statements in conformity with generally accepted accounting principles.
- A report on compliance and on internal control over financial reporting based on an audit performed in accordance with Government Auditing Standards.

- A report on the Schedule of Expenditures of Federal Financial Assistance.
- A report on compliance and internal control over compliance applicable to each major federal award program.
- A report on the Supplementary Schedule of State Financial Assistance.
- A report on the internal control over compliance in accordance with the State Single Audit Act.
- A report on compliance with general requirements applicable to state financial assistance programs.
- A report on compliance with specific requirements applicable to major state financial assistance programs. The auditor shall communicate in a letter to the Board of Finance any reportable conditions found during the audit. A reportable condition shall be defined as a significant deficiency in the design or operation of the internal control structure, which could adversely affect the organization's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements.

**E. Irregularities and illegal acts**

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 following parties:

First Selectman  
Chairman Board of Finance

Such notice shall be in addition to any notice to grantors required by single audit legislation.

Auditors shall assure themselves that the Town of Durham Board of Finance is informed of each of the following:

1. The auditor's responsibility under generally accepted auditing standards
2. Significant accounting policies
3. Management judgments and accounting estimates
4. Significant audit adjustments
5. Other information in documents containing audited financial statements
6. Disagreements with management
7. Management consultation with other accountants
8. Major issues discussed with management prior to retention
9. Difficulties encountered in performing the audit

**F. Special Considerations**

1. A copy of all audit adjustments shall be furnished to the Finance Director.
2. The selected firm shall be available on occasion to assist in certain accounting issues if they arise during the course of the year. These issues may include governmental accounting pronouncements and internal control procedure improvements.

3. The schedule of federal and state financial assistance and related auditor's reports, as well as the reports on the internal control structure and compliance are to be issued separately from the basic financial statements.
4. **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 three (3) years, unless the firm is notified in writing by the Town of Durham of the need to extend the retention period. The auditor will be required to make working papers available, upon request by the Town of Durham. 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 accounting significance.

#### **G. Implied Requirements**

All services not specifically mentioned in this request for proposals that are necessary to provide the functional capabilities described by the auditor shall be included in the scope of the work to be performed.

### **III. DESCRIPTION OF THE GOVERNMENT**

#### **A. General**

The auditor's principal contact with the Town of Durham will be the Finance Director or the First Selectman, who will coordinate the assistance to be provided by the Town of Durham to the auditor. If the Finance Director's position is vacant, the principal contact would be the First Selectman.

#### **B. Background Information**

The Town of Durham was incorporated in 1708, has a population of 7,242 and occupies 23.8 square miles bordering Middletown, Wallingford, Middlefield, Haddam, Killingworth, Madison, Guilford and North Branford. Durham has a Selectmen – Town Meeting form of government and is governed by the laws of its Charter and of the Connecticut General State Statutes, as amended. The town is part of the Lower Connecticut Valley Planning Region and is the home to the Durham Fair each September, the largest volunteer agricultural fair in New England. Emergency services are provided by two Resident Connecticut State Troopers, the Durham Volunteer Fire Company, and a contract with Middlesex Memorial Hospital for local Ambulance services. The Board of Finance is a six-member board. The Town's general government budget for fiscal year 2022-2023 is \$7,760,801 plus the Town's share of Regional School District #13, \$23,500,777, that is audited separately by the district.

The Town of Durham's fiscal year begins on July 1 and ends on June 30.

### **C. Fund Structure**

The Town of Durham reports the following major governmental funds:

- General Fund
- Reserve Fund for Capital and Nonrecurring Expenditures
- Pension Fund
- American Rescue Plan Act (ARPA) Funds
- Short Term Investment Funds (STIF)

### **D. Budgetary Basis of Accounting**

The Town of Durham prepares its budgets on a basis consistent with generally accepted accounting principles.

### **E. Federal and State Awards**

During the fiscal year to be audited, the Town of Durham received State and Federal grant awards.

### **F. Computer Systems**

The Town of Durham incorporates an Application Service Provider (ASP) which hosts the MUNIS financial accounting software.

### **G. Availability of Prior Audit Reports and Working Papers**

Interested Proposers who wish to review prior years' audit reports may download copies from the Town of Durham's website at <https://www.townofdurhamct.org/town-and-state-documents>

## **IV. ASSISTANCE TO BE PROVIDED TO THE AUDITOR AND REPORT PREPARATION**

### **A. Statements and Schedule to be prepared by the Town of Durham**

The staff of the Town of Durham will provide the following statements and schedules for the auditor as follows:

1. Adjusted trial balance and support for all funds
2. Detailed schedules of revenue and expenditures, expenses, accounts payable and receivable.
3. Bank reconciliations for all accounts
4. Bank reconciliations for all funds
5. Payroll accruals
6. Payroll records
7. Schedule of fixed assets
8. Tax collection schedules
9. Management Discussion and Analysis
10. Debt schedules
11. Pension activity

- 12. Schedule of compensated absences
- 13. Analysis of accounts as requested.
- 14. ARPA Funds
- 15. STIF Accounts

The above list is illustrative but not inclusive of schedules to be prepared by the Town of Durham.

**B. General**

Office space will be provided in close proximity to the financial records. Telephones will be made available as well as the use of a copy machine during the engagement. The auditor will be required to provide its own equipment and other office materials.

**C. Report Preparation**

Report(s) preparation, editing, reproduction costs and printing shall be the responsibility of the auditor.

**V. TIME REQUIREMENTS**

**A. Proposal Calendar**

The following is a *tentative* RFP timeline:

Request for proposal re-issued:	Monday, November 6, 2023
Due date for proposal:	Friday, December 8, 2023
Selection Committee meeting:	Mid December 2023
Interviews to be held:	December/January 2024
Appointment by Board of Finance	February 20, 2024
Contract negotiation/execution:	Within 10 days of approval of Board of Finance

**B. Date Audit May Commence**

The Town of Durham will diligently pursue having all records ready for audit and all management personnel available to meet with the firm’s personnel as of September 16, 2024.

The schedule for Interim Work, Detailed Audit Plan and Fieldwork will be mutually agreed upon by the selected firm and the Town’s Finance Director.

The auditor shall have drafts of the audit report(s) and recommendations to management available for review by the Finance Director by December 1, 2024.

Copies of all reports shall be addressed to the Chairman of the Board of Finance. The successful

proposer will also submit copies of reports as required by state and federal audit requirements.

The submission dates for the various reports to the municipality and the appropriate cognizant agencies are as follows:

Comprehensive Annual Financial Report:	December 15th
Single Audit Reports:	December 15th

Where an extension of time may be required, it will be the responsibility of the Auditor to promptly notify the Town of Durham in writing. It is the Town of Durham's responsibility to secure all necessary approvals in a timely manner.

The final report and 10 signed copies should be delivered to the Finance Director.

## VI. PROPOSAL REQUIREMENTS

### A. General Requirements

#### 1. Inquiries

All inquiries regarding this RFP shall be made by email only to [financedept@townofdurhamct.org](mailto:financedept@townofdurhamct.org) on or before Monday, November 27, 2023. No phone calls will be accepted.

The Town will issue addendums to the RFP to respond to inquiries. The addendums will be posted on the Town and State DAS website. It is the Respondent's responsibility to monitor the websites.

#### 2. Submission of Proposals

The following materials are required by 2:00 p.m., Friday, December 8, 2023, for a proposing firm to be considered:

a. One original and (5) copies of the proposal are to include the following:

1.) Title Page - indicating the request for proposal's subject; the firm's name, the name, address, and telephone number of a contact person; and the date of the proposal.

2.) Table of Contents

3.) Transmittal Letter – a signed letter of transmittal briefly stating the proposer's understanding of the work to be done, the commitment to perform the work with the time period, a statement why the firm believes itself to be the best qualified to perform the engagement and a statement that the proposal is a firm and irrevocable offer for the period covered.



- 4.) Detailed Proposal – the detailed proposal should follow the order set forth in Section VI B of this Request for Proposal.
  - 5.) Guarantees and Warranties – executed copies of the Proposer Guarantees and Proposer Warranties attached to this Request for Proposals (Appendix A)
  - 6.) Signed Non-Collusive (Appendix D)
  - 7.) Signed Affirmative Action Statement (Appendix E)
- b. Proposers should send the completed proposal consisting of the two (2) separate envelopes to the following address:
- Durham Town Hall  
Office of the First Selectmen  
P.O. Box 428  
30 Town House Road  
Durham, CT 06422
- c. Envelopes shall be clearly marked as follows:
- Envelope #1: Audit Technical Proposal  
Envelope #2: Audit Sealed Cost Proposal

## **B. Technical Requirements**

### **1. General Requirements**

The purpose of the technical proposal is to demonstrate the qualifications, competence and capacity of the firms seeking to undertake an independent audit of the Town of Durham in conformity with the requirements of this request for proposals. As such, the substance of proposals will carry more weight than their form or manner of presentation. The technical proposal should demonstrate the qualifications of the firm and of the particular staff to be assigned to this engagement. It should also specify an audit approach that will meet the request for proposal requirements.

There should be no dollar units or total costs included in the technical proposal document.

The technical proposal should address all the points outlined in the request for proposals (excluding any cost information that should only be included in the sealed dollar cost bid). The proposal should be prepared simply and economically, providing a straightforward, concise description of the proposer’s capabilities to satisfy the requirements of the request for proposals. While additional items may be presented, the following subjects, items Nos. 2 through 8, must be included.

## **2. Independence**

The firm should provide an affirmative statement that it is independent of the Town of Durham as defined by generally accepted accounting standards and the U.S. Comptroller's General Government Auditing Standards.

The firm should also list and describe the firm's professional relationship involving the Town of Durham or any of its agencies for the past five (5) years, together with a statement explaining why such relationships do not constitute a conflict of interest relative to performing the proposed audit.

In addition, the firm shall give the Town of Durham written notice of any professional relationship entered into during the period of this agreement.

## **3. License to Practice in Connecticut**

An affirmative statement should be included indicating that the firm and all assigned key professional staff are qualified to practice in Connecticut.

## **4. 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 staff to be so employed on a part-time basis.

At a minimum, proposers must have at least five (5) years municipal experience as independent auditors for the purpose of rendering an opinion on financial statements. Describe the range of audit, accounting and management services activities performed by the local office.

The Firm is also required to submit a copy of the report on its most recent external quality control review, with a statement whether that quality control review included a review of specific government engagements.

The firm shall also provide information on the results of any federal or state desk reviews or field reviews of its audits during the past three (3) years. In addition, the firm shall provide information on the circumstances and status of any disciplinary action taken or pending against the firm during the past three (3) years with state regulatory bodies or professional organizations.

## **5. Partner, Supervisory and Staff Qualifications and Experience**

The firm should identify the principal supervisory and management staff, including engagement partners, managers, other supervisors, and specialists, who would be assigned to the engagement and indicate whether each such person is licensed to practice as a certified public accountant in Connecticut. The firm also should provide information on the government auditing experience of each person, including information on relevant continuing professional education for the past three (3) years and membership in professional organizations relevant to the performance of this audit.

The firm should provide as much information as possible regarding the number, qualifications, experience, and training, including relevant continuing professional education, of the specific staff to be assigned to this engagement. The firm also should indicate how the quality of staff over the term of the agreement would be assured.

Engagement partners, managers, other supervisory staff, and specialists may be changed if those personnel leave the firm, are promoted or are assigned to another office. These personnel may also be changed for other reasons with the express prior written permission of the Town of Durham. However, in either case, the Town of Durham retains the right to approve or reject replacements.

Consultants and firm specialists mentioned in response to this request for proposals can only be changed with the express prior written permission of the Town of Durham, which retains the right to approve or reject replacements.

At a minimum, supervisory member of the audit team, including the “in charge” field auditor, must have a minimum of three (3) years of municipal audit experience.

Other audit personnel may be changed at the discretion of the proposer provided that replacements have substantially the same or better qualifications or experience.

## **6. Prior Engagements with the Town of Durham**

List separately all engagements within the last five years, ranked on the basis of total staff hours, for the Town of Durham by type of engagement, (i.e., audit, management advisory services, other). Indicate the scope of work, date, engagement partners, total hours, the location of the firm’s office from which the engagement was performed, and the name and telephone number of the principal client contact.

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

For the firm’s office that will be assigned responsibilities for the audit, list the most significant engagements (maximum of 5) performed in the last five years that are similar to the engagement described in this request for proposals. These engagements should be ranked on the basis of total staff hours. Indicate the scope of work, date, engagement partners, total hours and the name and telephone number of the principal client contact.

## **8. Specific Audit Approach**

The proposal should set forth a work plan, including an explanation of the audit methodology to be followed, to perform the services required in Section II of this request for proposal. In developing the work plan, reference should be made to such sources of information as Town of Durham’s budget and related materials, organizational charts, manuals and programs, and financial and other management information systems.

- a. Proposed segmentation of the engagement.
- b. Level of staff and number of hours to be assigned to each proposed segment of the engagement.
- c. Sample size and extent to which statistical sampling is to be used in the engagement.
- d. Extent of use of electronic data software in the engagement.
- e. Type and extent of analytical procedures to be used in the engagement.
- f. Approach to be taken to gain and document an understanding of the Town of Durham's internal control structure.
- g. Approach to be taken in determining laws and regulations that will be subject to audit test work.
- h. Approval to be taken in drawing audit samples for purposes of tests of compliance.

#### **9. 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 Town of Durham.

#### **10. Report Format**

The proposal should include sample formats for required reports.

#### **11. Default and Litigation**

The proposal should state whether the respondent has failed to complete awarded by contract deadline, whether the respondent ever defaulted on a contract and whether there is any pending litigation involving the respondent.

### **C. Sealed Dollar Cost Bid**

#### **1. Total All-Inclusive Maximum Price**

The dollar cost bid should contain all pricing information relative to performing the audit engagement as described in this request for proposals. The total all-inclusive maximum price to be bid is to contain all direct and indirect costs including all out-of-pocket expenses.

The Town of Durham will not be responsible for expenses incurred in preparing and submitting the technical proposal or the dollar cost bid. Such costs should not be included in the proposal.

#### **2. Fixed Fees by Category**

The dollar cost bid should include a schedule of professional fees and expenses; presented in the format provided in the attachment (Appendix B), that supports the total all-inclusive price.

### **3. Rates for Additional Professional Services**

If it should become necessary for the Town of Durham to request the auditor to render any additional services requested in this request for proposals or to perform additional work as a result of the specific recommendations included in any report issued on this engagement, then such additional work shall be performed only as set forth in an addendum to the contract between the Town of Durham and the firm. Any such additional work agreed to between the Town of Durham and the firm shall be performed at the same rates set forth in the schedule of fees and expenses included in the dollar cost bid.

### **4. Manner of Payment**

Progress payments will be made on the basis of hours of work completed during the course of the engagement in accordance with the firm's dollar cost bid proposal. Interim billings shall cover a period of not less than a calendar month.

## **VII. EVALUATION PROCEDURES**

### **A. Selection Committee**

Proposals submitted will be evaluated by the Auditor Selection Committee selected by the Board of Finance.

### **B. Evaluation Criteria**

The following represents the principal selection criteria that will be considered during the evaluation process of the proposals.

#### **1. Mandatory Elements**

- a. The audit firm is independent and licensed to practice in Connecticut.
- b. The firm has no conflict of interest with regard to any other work performed by the firm for the Town of Durham.
- c. The firm adheres to the instructions in this request for proposals on preparing and submitting the proposal.
- d. The firm submits a copy of its most recent external quality control review report, and the firm has a record of quality of audit work.
- e. The firm shall submit one copy of a least two Annual Financial Reports issued by Connecticut Municipalities in which their opinion is contained.
- f. The firm must have been engaged during the fiscal year ending June 30, 2020, as independent auditors for the purpose of rendering an opinion on the annual financial statements of a Connecticut municipality, as well as previously engaged in the audit of at least (3) Connecticut municipalities.

## **2. Technical Qualifications**

### **a. Expertise and Experience**

- 1.) The firm's 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 available for technical consultation.
- 3.) Experience with the preparation of federal and state financial assistance and reports.

### **b. Audit Approach**

- 1.) Adequacy of proposed staffing plan for various segments of engagement.
- 2.) Adequacy of sampling techniques.
- 3.) Adequacy of analytical procedures.

## **3. Price**

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

## **C. Oral Presentations**

During the evaluation process, the Town may request any one or all firms to make oral presentations. Such presentations will provide firms with an opportunity to answer any questions the town may have on a firm's proposal. Not all firms may be asked to make such oral presentations.

## **D. Final Selection**

The Auditor Selection Committee will recommend a firm for approval by the Board of Finance, subject to final execution of the contract, in a form acceptable to the Town.

## **E. Right to Reject Proposals**

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

The Town of Durham reserves the right, without prejudice, to reject any or all proposals or parts thereof for any reason, to negotiate changes to proposal terms and to waive minor inconsistencies with the request for proposal.

## APPENDIX A

### PROPOSER GUARANTEES AND PROPOSER WARRANTIES

#### Proposer Guarantees

The proposer certifies it can and will provide and make available, at a minimum, all services set forth in Section II, Nature of Services Required.

#### Proposer Warranties

Proposer warrants that it is willing and able to comply with State of Connecticut laws with respect to foreign (non-state of Connecticut) corporations.

Proposer warrants that it is willing and able to obtain insurance coverages before execution of the Contract, the Proposer will be required to file with the Town of Durham a certificate of insurance. The certificate, executed by an insurance company satisfactory to the Town, shall name the Town as an additional insured party on a primary and non-contributory basis on the form furnished with these specifications. A waiver of subrogation is required in favor of the town of Durham, on all policies, including workers' compensation.

- A. Workers Compensation** – Coverage will be in accordance with State of Connecticut requirements at the time of bid.
  
- B. General Liability** – The insurance shall provide coverage for each accident or occurrence in the amount of \$1,000,000, combined single limit, for all damages resulting from (1) bodily injury to or death of persons and/or (2) injury to or destruction of property. Subject to that limit per accident or occurrence, the policy shall provide at total or aggregate coverage of \$2,000,000 for all damages during the policy period. This coverage shall be primary and non-contributory.
  
- C. Automobile Liability** – The insurance shall provide coverage for accident or occurrence in the amount of \$1,000,000 combined single limit, for all damages resulting from (1) bodily injury to or death of persons and/or (2) injury to or destruction of property. This coverage shall be primary and non-contributory.
  
- D. Professional Liability** – insurance with a minimum limit of \$1,000,000 per claim and policy aggregate, to include errors and omissions coverage providing \$1,000,000 of coverage for willful or negligent acts, or omissions of any officers, employees, or agents in conjunction with the services to be provided. Coverage limits shall be \$1,000,000 or more, per occurrences without reduction for claims paid during the policy period.
  
- E. Termination or change of Insurance** - Each insurance policy shall be endorsed to provide that the insurance company shall notify the Towns by certified mail at least thirty (30) days in advance of termination, or any change in the policy. No such change shall be made without

prior written approval of the First Selectman.

**F. Claims** - Each insurance policy shall state that the insurance company shall agree to investigate and defend the Towns against all damages, even if groundless.

**G. Compensation** - There shall be no direct compensation allowed the Proposer on account of any premium or other charge necessary to take out and keep in effect all insurance or bonds, but the cost thereof shall be considered included in the general cost of the work.

**Hold Harmless & Indemnification**

The Town of Durham does not waive its right to subrogation with respect to any coverage, including workers' compensation. To the fullest extent permitted by law, The contractor, all subcontractors and suppliers shall at all times defend, indemnify and hold harmless the Town of Durham, the Durham BOE and all of their its officers, agents, and/or employees from and against any and all claims, demands, damages, losses, judgments, costs, workers' compensation payments, expenses and counsel fees arising out of or alleged to arise out of the performance of the agreement, negligence of Contractor and any of Contractor's employees, subcontractors, and breach of this agreement. This provision shall survive termination of the agreement.

The existence of insurance shall in no way limit the scope of this indemnification. The contractor further undertakes to reimburse the Town for damages to the property caused by the contractor, or his employees, agents, subcontractors, or material men or by faulty, defective or unsuitable material or equipment used by him or them.

Proposer warrants that it will not delegate or subcontract its responsibilities under an agreement without the express prior written permission of the Town of Durham.

Proposer warrants that it will not discriminate against any employee or applicant for employment because of sex, race, color, creed, national origin, age, marital status or the presence of any sensory, mental or physical handicap. Any violation of this provision shall be considered a violation of a material provision of this agreement and shall be grounds for cancellation, termination, or suspension in whole or in part of the agreement by the Town and may result in ineligibility for further Town contracts. The proposer shall at all times in the proposal and contract process comply with all applicable Town, state and federal antidiscrimination laws, rules, regulations and requirements thereof.

**Proposer warrants all information provided by it in connection with this proposal is true and accurate.**

Signature of Official: \_\_\_\_\_

Name (typed): \_\_\_\_\_

Title: \_\_\_\_\_

Firm: \_\_\_\_\_



Date: \_\_\_\_\_

## **Appendix B**

### **General Terms and Conditions**

All Respondents must be willing to adhere to the term and conditions of this RFP, including the following, and must positively state their acceptance and compliance with them in their response to this RFP.

1. Acceptance or Rejection by the Town of Durham – The Town of Durham reserves the right to accept and/or reject any or all qualification statements submitted for consideration to serve the best interest of the Town of Durham. Respondents whose qualification statements are not accepted will be notified in writing.
2. Ownership of Documents – All qualification statements submitted in response to the RFP are to be the sole property of the Town of Durham and subject to the provisions of Section 1-200 of the Connecticut General Statutes (re: Freedom of Information).
3. Ownership of Subsequent Products – Any product, whether acceptable or unacceptable, developed under a contract awarded as a result of this RFP is to be the sole property of the Town of Durham unless stated otherwise in the RFP or contract.
4. Timing and Sequence – Timing and sequence of events resulting from this RFP will ultimately be determined by the Town of Durham.
5. Oral Agreements – The Town of Durham will not be responsible for any alleged oral agreement or arrangement made by a Respondent with any agency or employee.
6. Amending or Canceling Requests – The Town of Durham reserves the right to amend or cancel this RFP prior to the due date and time, if it is in the best interest of the Town of Durham to do so.
7. Rejection for Default or Misrepresentation – the Town of Durham reserves the right reject the proposal of any Respondent that is in default of any prior contract or for misrepresentation.
8. Town’s Clerical Errors in Awards – the Town of Durham reserves the right to correct inaccurate awards resulting from its clerical error.
9. Rejection of Qualification Statements – Qualification statements are subject to rejection in whole or in part if they limit or modify any of the terms and conditions and/or specifications of the RFP.
10. Changes to Qualification Statements – No additions or changes to the original qualification statement will be allowed after submittal.
11. Contract Requirements – A formal agreement will be entered into with the selected Respondent, as previously described. The contents of the proposal submitted by the successful Respondent and the RFP will become part of any contract award.
12. Rights reserved to the Town of Durham – the Town of Durham reserves the right to award in part, to reject any and all qualification statements in whole or in part, to waive technical defects, irregularities and omissions if, in its judgement, the best interests of the Town of Durham will be

served.

13. Withdrawal of Qualification Statements – Negligence on the part of the Respondent in preparing the qualification statement confers no right of withdrawal after the time fixed for the acceptance of the qualification statement.
14. Assigning, Transferring of Agreement – The successful Respondent is prohibited from assigning, transferring, conveying, subletting, or otherwise disposing of this agreement, its rights, title or interest therein or its power to execute such agreement by any other person, company, or corporation without the prior consent and approval in writing by the Town of Durham.
15. Cost of Preparing Qualification/Proposal Statements – the Town of Durham shall not be responsible for any expenses incurred by the organization in preparing and submitting a qualification statement. All qualification statements shall provide a straightforward, concise delineation of the firm’s capabilities to satisfy the requirements of this request. Emphasis should be on completeness and clarity of content.

The undersigned agrees to provide the services set forth in the RFP for the following FIXED FEES:

It is understood that the Contract will be for fiscal year audit for period from July 1, 2023, through June 30, 2024, with the Town’s option to extend for each of four successive fiscal year periods.

To be submitted in a separate envelope.

Firm’s name \_\_\_\_\_ Location of office staffing the audit: \_\_\_\_\_

Number of municipal professional audit staff at this assigned location: \_\_\_\_\_

Number of municipal audit staff assigned to Town: \_\_\_\_\_

Town of Durham	6/30/2024	6/30/2025	6/30/2026	6/30/2027
Financial	\$	\$	\$	\$
Single Audit Federal				
Single Audit State				
Total	\$	\$	\$	\$

Total Hours – Included in total fees	6/30/2024	6/30/2025	6/30/2026	6/30/2027
Partner				
Manager				
Staff				

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**Hourly Rates**

Partner-in-Charge and Review Manager:

Supervising Manager:

Audit Staff:

Rate for hours in excess of those above or for services outside the specified scope:

Submitted by \_\_\_\_\_

Date \_\_\_\_\_

Signature \_\_\_\_\_

Title \_\_\_\_\_

Telephone \_\_\_\_\_

Fax \_\_\_\_\_

## **APPENDIX C**

### **SUMMARY OF ITEMS TO BE INCLUDED IN THE REQUEST FOR PROPOSAL**

Your request for proposal must include the following items:

#### **Envelope 1 (Technical Proposal)**

- Three (3) copies of the Technical Proposal (follow outline on pages 8 & 9)
- One copy of at least two (2) different basic financial reports issued by Connecticut municipalities in which your opinion is contained
- Three (3) executed copies of Proposer Guarantees and Proposer Warranties (Appendix A)

#### **Envelope 2 (Dollar Cost Bid)**

- Three (3) copies of the dollar cost bid (Appendix B)

**Appendix D**

**Non-Collusive Bid Statement**

Project:

Bid Opening Date:

Bidder's name and address:

Name of person signing this statement: (PLEASE PRINT)

**To the Town of Durham:**

1. The bid has been arrived at by the bidder independently and has been submitted without collusion and without any agreement, understanding, or planned common cause of action with any other vendor of material, supplies, equipment or services described in the invitation to bid, designed to limit independent bidding or competition.
2. The contents of the bid have not been communicated by the bidder or its employees or agents to any person not an employee or person prior to the official opening of the bid.

Signature:

Title:

Subscribed and sworn to me

This \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_

\_\_\_\_\_  
Notary Public

My Commission Expires \_\_\_\_\_  
Date

**Appendix E**

**Affirmative Action Statement**

**Concerning Equal Employment Opportunities and/or Affirmative Action Policy**

I/we, the respondent, certify to the TOWN OF DURHAM that:

1. I/we are in compliance with the equal opportunity clause as set forth in Connecticut state law (Executive Order No. Three, <http://www.cslib.org/xeorder3.htm>).
2. I/we do not maintain segregated facilities.
3. I/we have filed all required employer's information reports.
4. I/we have developed and maintain written affirmative action programs.
5. I/we list job openings with federal and state employment services.
6. I/we attempt to employ and advance in employment qualified handicapped individuals.
7. I/we are in compliance with the Americans with Disabilities Act.
8. I/we (check one)  
\_\_\_\_\_ have an Affirmative Action Program, or  
\_\_\_\_\_ employ 10 people or fewer

Legal Name of Bidder: \_\_\_\_\_

Business Name: \_\_\_\_\_

Business Address: \_\_\_\_\_

\_\_\_\_\_  
**Signature** and Title of Person

Subscribed and sworn to me \_\_\_\_\_ this  
\_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

\_\_\_\_\_  
Notary Public

My Commission Expires \_\_\_\_\_  
Date