



**THE WATER POLLUTION CONTROL AUTHORITY (WPCA)
TOWN OF TRUMBULL, CONNECTICUT
REQUEST FOR PROPOSAL (RFP)
SPECIAL AUDIT SERVICES FOR THE WPCA (FUNDS #20 & #59)**

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RFP #5886

DUE: MAY 26, 2010 at 3:00 PM

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I. INTRODUCTION

A. GENERAL INFORMATION

The Town of Trumbull (herein after referred to as “Town”) requests proposals from qualified independent and certified public accountants to conduct an audit for the Water Pollution Control Authority (herein after referred to as “WPCA”) relating to the activities and accounts of WPCA Funds # 20 (operations) and # 59 (construction) as detailed in the scope of work contained herein.

There is no express or implied obligation for the Town to reimburse responding firms for any expenses incurred in preparing or submitting proposals in response to this request.

A **mandatory** pre-proposal conference for all firms interested in submitting a proposal will be held on May 17, 2010 at 10:00 AM in the council chambers of the Trumbull Town Hall. In the event that the selected respondent(s) fails to execute a contract with the Town within fifteen (15) days after notification of an award by the Town, the Town may cancel the Award without penalty and reconsider other proposals submitted for this request or solicit new proposals.

The successful respondent(s) shall not be allowed to assign the contract or delegate any responsibilities or duties to any third party without prior express written consent of the Town.

Proposals submitted shall be evaluated by the WPCA members, the Sewer Administrator, the Purchasing Department, the Finance Director, and the Town Attorney. During the evaluation process, the Town reserves the right, where it may serve the best interest of the Town, to request additional information from proposers, or to allow corrections of errors or omissions. At the discretion of the Town, firms submitting proposals may be requested to make oral presentations as part of the evaluation process.

The Town reserves the right to retain all proposals submitted and to use any elements of 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, without limitation, unless specifically noted in the proposal submitted and confirmed in the contract between the Town and the selected firm.

B. PREPARATION OF PROPOSALS

1. One (1) ORIGINAL and **six (6)** EXACT COPIES of your proposal shall be submitted. All proposals should be submitted in a clear, concise and legible manner to permit proper evaluation.
2. Proposers may also submit, under separate cover with their proposal, any additional reports and documents that are necessary to meet the requirements (deliverables) of this request.
3. If a proposal does not meet or better the required specifications on all points that must be outlined in a letter otherwise it will be presumed that a proposal is in accordance with the required specifications.

C. PROPOSAL SUBMISSION

Proposals are to be submitted in a sealed envelope and addressed as follows:

RFP #5886

Attention: Robert J. Chimini, Purchasing Agent

Town of Trumbull

5866 Main Street, Trumbull, CT 06611

Please be advised that the person(s) signing the formal proposal must be authorized to contractually bind your firm with regard to prices and related contractual obligations.

D. PROPOSAL TIME

1. Proposals shall be received at the office of the Purchasing Agent, Trumbull Town Hall, prior to the advertised hour of opening, at which time all proposals will be publicly opened and read aloud. Any proposal received after that time will not be opened or considered.

2. A proposal may be withdrawn at any time prior to the above scheduled date. A proposal received after the above scheduled date and time shall not be considered or opened.

E. TOWN OPTIONS

The Town reserves the right to reject any or all proposals and to waive any requirements, irregularities, technical defects or service therein when it is deemed to be in the best interest of the Town.

F. TAXES

All purchases made by the Town, and associated with the award of this requirement shall be tax exempt. Any taxes must not be included in proposal prices. A Town Tax Exemption Certificate shall be furnished upon request.

G. INQUIRIES

All inquiries regarding the technical or accounting nature of this request may be directed, by email, *simultaneously*, to the WPCA (Paul A Kallmeyer, Vice Chairman – pak.pels@gmail.com) and Maria Pires, Director of Finance at mpires@trumbull-ct.gov. No questions will be responded to after May 24, 2011. To ensure consistent interpretation of certain items, answers to questions the Town deems to be in the interest of all proposers will be made available in writing or by Fax as appropriate to all proposers.

Additionally, after proposals are received, the Town reserves the right to communicate with any or all of the proposers to clarify the provisions of this request. The Town further reserves the right to request additional information at any time after proposals are opened.

H. AWARD AND AUTHORITY

The purchasing authority of the Town shall issue notification of award in writing.

I. PRICING

All pricing quoted shall remain firm fixed for a period of one (1) year from date of proposal opening. Special Consideration will be given to responses with extended firm price dates.

J. ASSIGNMENT OF RIGHTS, TITLES, AND INTERESTS

Any contractor or subcontractor of the Town offers and agrees to assign to the public purchasing body all rights, title and interest in and to all causes of action it may have under Sec. 4 of the Clayton Act, 15 U.S.C. Section 15 or under Chapter 624 of the General Statutes of Connecticut arising out of the purchase of services, property or intangibles of any kind pursuant to a public purchase contract or subcontract. This assignment shall be made and become effective at the time the public purchasing body awards or accepts such contract, without further acknowledgment by the parties.

K. HOLD HARMLESS CLAUSE

Any contractor or subcontractor of the Town agrees to indemnify, hold harmless and defend the Town from and against any and all liability for loss, damage or expense which the Town may suffer or for which the Town may be held liable by reason of injury, including death, to any person or damage to any property arising out of or in any manner connected with the operations to be performed under this request and subsequent Contract, whether or not due in whole or in part of any act, omission or negligence of the Town or any of its representatives or employees.

L. WORK REGULATIONS AND STANDARDS

All work activities performed in association with this request must be performed and completed for the Town in accordance with current Federal State and Local regulations. All services performed shall also conform to the latest OSHA standards and/or regulations.

M. INSURANCE

The successful proposer shall provide the Town Purchasing Agent with a Certificate of Insurance before work commences. The Town shall be named as an additional insured with an Insurance Company licensed to write such insurance in Connecticut, against the following risks and in not less than the following amounts: **SEE APPENDIX B of this Request for specific information regarding Insurance requirements.**

N. ADDENDUMS

It is the responsibility of all proposal submitters to verify with the Town if any addendums or changes to this have been. All and any addendums will be posted on the Town of Trumbull – Purchasing department website. www.trumbull-ct.gov .

O. CONTACTS AND KEY PERSONNEL

The Auditor’s principal contact with the Town shall be with the Director of Finance, or its designated representative, who will coordinate the assistance to be provided by the Town to the Auditor.

A list of key personnel with the location of the principal offices is as follows:

Maria Pires, Acting Director of Finance	(203)452-5013
John Marsilio, Director of Public Works	(203)452-5045
Jeanine Lynch, Chairman WPCA Chairman	(203)452-5050
Paul A. Kallmeyer, WPCA Vice Chairman	(203)913-6700
Stephen Savarese, Town Engineer & Sewer Adm.	(203)452-5053
Robert Chimini, Purchasing Agent	(203)452-5042
Mark Turndahl, Accounting Manager	(203)452-5010
Joseph Solemene, WPCA Administrator	(203)452-5048
Clairjon Garard, WPCA Inspector	(203)452-5049

II. DESCRIPTION OF SERVICES REQUIRED

Background Information concerning the need for the audit, and “Deliverables” expected as a result of this proposal request:

20 Sewer Account – Enterprise Fund

This account was internally audited within the last year by the Town of Trumbull Finance department. Prior to that point, there was no regular determination as to the retained earnings in the account. The 20 Account is the “operational” side of the WPCA budget (as opposed to the uses for the 59 Sewer account, which are explained below). The WPCA needed to know where it was financially. The 20 account tracks the (annual) operating revenues, primarily from the User’s Fees, and operating expenses as budgeted for a current fiscal year.

A Statement of Revenues, Expenses and changes in Retained Earnings for the 20 Sewer Account Enterprise Fund should be prepared quarterly through the fiscal year.

The proposed audit will test the assumptions and conclusions of the previously done work. Note that for simplicity, one key assumption agreed to by all was to only go back in time about a decade in reviewing finances/numbers that correlate to the conclusion reached. The WPCA currently uses financial data attained a year ago, modified by actual transactions since that time, to understand its operational financial picture. A copy of the most recently available version of that report shall be provided, as well as the originally created version from year MO/DAY/YR.

Previous Directors of Finance have suggested that the WPCA be aware that this fund should not only contain the annual operational funds needed, but also try to maintain a 6-month operating reserve in the account.

A.1 Scope of Work to be Performed

Deliverables:

- Prepare an audited June 30, 2010 Statement of Revenue, Expenses and changes in the Retained Earnings for the 20 Sewer Account Enterprise Fund
- Prepare a June 30, 2010 Statement of Net Assets for the 20 Sewer Account Enterprise Fund.
- What is the industry/governmental standard that you would recommend for a Retained Earnings operating reserve for Trumbull’s 20 Sewer Account Enterprise Fund?
- A general critique, including any recommendations, as to how to best accomplish this financial monitoring in the future.
- How should the Town be accounting for the interest income on the 20 Sewer Account cash flow currently being transferred and used by the Town’s General Fund?
- At the end of each fiscal year, some User Fees from property owners remain unpaid and are reflected as Accounts Receivable (788 accounts owing \$543,449 on June 30, 2009). Prepare a detailed and aged Schedule of user fee Accounts Receivable for June 30, 2010. And review with the WPCA, Tax Collector and the Sewer Town Attorney.
- Review the current 2009-2010 Town General Fund In-Kind Charges applied to the 20 Sewer Account for payroll benefits, insurance and other Town services (Purchasing-Tax Collector-Public Works). Prepare a revised 2010-2011 In-Kind Charge schedule for the WPCA based upon current 2010 financial data.

59 Sewer Account – Enterprise Fund

The 59 Account has historically handled funds associated with sewer construction and capital improvements (as opposed to the 20 Account, which is used for day-to-day operational expenses and income). Principally, the account does three things:

- Holds the proceeds of bond anticipation notes, so that on-going construction costs can be paid

- Holds the proceeds of assessments and interest income, in order to pay the principal and interest expense on outstanding final bonding associated with said assessments
- Holds an accumulation of Unit Charges (\$500 per “unit” assessed) since the beginning of sewer assessments in the early 1970’s

Each sewer project begins with a public hearing whereat the WPCA gauges the desire of those property owners to receive the benefits and associated assessment of each project. The property owners are also told that “the Town will assume 25% of the cost of the construction”. It is further explained that the cost of the construction includes, but is not limited to, the actual costs/expenses due the contractor, any legal fees (including bond counsel), temporary construction financing costs (BANs), easement acquisition and mapping costs, and engineering/design/inspection costs. Once all of these costs are known, the total is reduced by 25%, and the remaining 75% is assessed to the homeowners on a “front footage basis” (using a formula that has remained unchanged since the inception of said assessments).

The assessments go out to the homeowners with a fixed interest, and a fixed term. With the exception of the Jog Hill Project, the term has been 18 years, even though the bonds were payable in 20 years. Jog Hill assessments are payable in 20 years.

It became apparent during the early part of the 2000’s that the Town had never paid its 25% share. This conclusion was confirmed at the time of the then Director of Finance. The Director of Finance’s knowledge of the payments made from the Town accounts, to pay the annual P&I payments on all of the outstanding bonds of the town, was considered to be thorough.

The “25% payments” were then included in the budgets in the early ‘00’s, and the practice has continued to this day.

As each sewer project is completed, and the assessment is calculated, the Unit Charge is added to the assessment sheet. See attached sample of an actual assessment sheet. The accumulation of these Unit Charges was intended to be a Capital Reserve Fund for systemwide major rehabilitation, and/or payments towards the use, construction, and maintenance of the system as a whole. Sometimes referred to as “downstream costs”, it was explained to residents that parts of the infrastructure that they enjoy (i.e. pump stations, trunk lines) that are not in their project, still serve them. They have to be maintained and repaired for the benefit of all, sometime in the future.

The WPCAs of the past assumed the Unit Charge money was accumulating, with interest. There was also the assumption that, since the \$500 was not needed to pay off the bonds, that the money was ‘in the bank’ long before the 18 years was up. This conclusion resulted from the facts that:

- Many Trumbull residents paid their assessments in full at once, leaving all of their money that was not relegated to the first year’s P&I in the 59 account for 20 years
- Many times the bonds were re-financed at a lower interest rate, yet all assessments were paid out according to the original term length and at the higher interest rates
- The rates of the assessments were never at the rates of the original bonds (with the exception of the Jog Hill Project, Contract 3). The assessments’ interest was determined by the then sitting Director of Finance, always a little higher than ‘what they thought that the market would ultimately provide’. This conservative approach protected the Town, and resulted in an immediate benefit to the 59 Account as the interest charges were always less than the interest payments of those assessed.

Currently there are some 9,000 units, which should result in a fund balance of Unit Charges (Capital Reserve Fund) in the area of \$4.5 million, supposedly less any portion of Unit Charges not yet paid off. Of course this could be . . . should have been? . . . off-set by the above factors over the nearly 40 years of assessments (including the interest on these accumulated funds). Remember that these Unit Charge funds are NOT related to the calculated cost of the front foot assessment, and having nothing to do with paying off the bonds.

Concerning the assessments themselves, those assessed paid off their “loans” in 18 years, while the Town paid off the bonds in 20 years. These additional two years should also have reflected a higher balance in the 59 Account. The re-financing of the bonds likewise resulted in what should have been a positive delta between the assessments paid and P&I expenses.

A recent calculation of the retained earnings in the 59 Account was approximately \$2.6 million (of which \$2.08 million was set aside to lower the assessments for the Jog Hill residents). A copy of that unaudited calculation is shall be provided.

Based on the history noted above, there seems to be a discrepancy in this recently calculated value of the 59 Account. It seems to the WPCA that the Town has historically inaccurately accounted for the WPCA funds, and/or done so in a manner inconsistent with good financial management practices.

A.2 Scope of Work to be Performed

Deliverables:

- To the extent practical, review the approximately 9,000 assessments, and relate them to the costs of the bonds associated with them (including any re-financed bonds)
- To the extent possible, determine how many \$500 Unit Charges were levied. (Note that some unit charges were paid in cash by developers.)
- Prepare an audited June 30, 2010 Statement of revenue, Expenses and Changes in Retained Earnings for the 59 Sewer Account Enterprise Fund
- Prepare a June 30, 2010 Statement of Net Assets for the 59 Sewer Account Enterprise Fund
- Prepare a detailed and aged Schedule of Assessments Receivable as shown on the June 30, 2010 Statement of Net Assets for the 59 Sewer Account Enterprise Fund
- Prepare a detailed Schedule of Current and Long Term Bonds Payable outstanding amounts as of June 30, 2010 for the 59 Sewer Account Enterprise Fund.
- Determine a defensible value of the 59 Account had the interest, term limits, years of payout, up-front payments, etc been properly applied, especially the Town’s 25% contribution.
- Determine an acceptable accounting method for the 59 Account, especially separating the account into Unit Charges accumulation (Capital Reserve), and a fund to pay off the bonds (assessment income and P&I payments)
- How should the Town be accumulating and accounting for the interest on the funds that are “cash”, awaiting to be used for P&I payments?
- How should the Town be accumulating and accounting for the interest on the funds that being held in the Capital Reserve?

A.3

During the course of the initial audit, the scope of work may be further expanded or altered at the recommendation of the auditor, with written approval by the Town. Such changes would be subject to stated limitations on supplemental expenditures at rates quoted in Appendix C.

B. Reports to be issued

1. Following the completion of the audit, the auditor shall issue a written report communicating the deliverables noted above.
2. Immediately upon completion of the Audit, the auditor shall orally report its findings to the WPCA and Finance Director.
3. All working papers and reports must be retained, at the auditor's expense for a minimum of seven (7) years unless the firm is notified by the Town in writing to extend that time period. In addition the auditor shall respond to reasonable inquiries of successor auditors and allow successor auditors to review working papers relating to matters of continuing accounting and contractual significance.

III ASSISTANCE PROVIDED TO AUDITOR AND REPORT PREPARATION

A. Data and Other Pertinent Information to be provided by the Town of Trumbull

The Finance and WPCA Department staff shall be available during the audit to assist the Auditor by providing all information, documentation and explanations as required by the Auditor, including any and all other information, reports, correspondence, records and documentation deemed necessary and/or appropriate by the auditor to fully complete the tasks contained herein.

B. General

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

IV NATURE OF SERVICES REQUIRED OF AUDITOR

A. General – Technical Proposal

1. 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 WPCA funds #20 and #59 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 proposals requirements.
2. The technical proposal should address all the points outlined in the request for proposals (excluding any cost information, which should only be included in Appendix D). 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. They represent the criteria against which the proposal will be evaluated.

B. Professional Qualifications Required

1. General 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 last five (5) years, as independent auditors. The selected firm shall be retained for the express purpose of rendering an opinion on the individual retained earnings, and all other stated deliverables, of funds #20 and #59 of the WPCA.

2. Independence

- a. The firm should provide an affirmative statement that it is independent of the Town of Trumbull as defined by generally accepted accounting standards and the U.S. Comptroller General's Government Auditing Standards.
- b. The firm should also list and describe the firm's professional relationships involving the Town of Trumbull 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.
- c. In addition, the firm shall give the Town of Trumbull written notice of any professional relationships 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 its municipal partner are qualified to practice in Connecticut.

4. Firm Qualifications and Experience

- a. 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.
- b. The firm shall also provide information on the results of the firm's latest federal or state desk reviews or field reviews of its audits. 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

- a. 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 shall also list all credentials that indicate its ability to conduct an audit and shall indicate how the quality of staff over the term of the agreement will be assured. Ideally, the firm selected firm shall have staff or available consultants with experience conducting an audit with deliverables that are similar to those in this one.
- b. The proposer should identify the extent to which its staff reflects the Town of Trumbull's commitment of Affirmative Action.
- c. 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 Town of Trumbull. However, in either case, the Town of Trumbull retains the right to approve or reject replacements.
- d. 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 Trumbull, which retains the right to approve or reject replacements.
- e. 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. Similar Engagements with Other Government Entities

For the firm's office that will be assigned responsibility 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.

7. 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 IV of this request for proposal

8. 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 WPCA or the Town of Trumbull.

C. Work Paper Retention and Access to Working Papers

All working papers and reports of the selected firm shall be retained, at the auditor's expense for a minimum of seven (7) years unless the firm is notified by the Town in writing to extend that time period. In addition the auditor shall respond to reasonable inquiries of successor auditors and allow successor auditors to review working papers relating to matters of continuing accounting and contractual significance.

D. Proposal Requirements - Format

The following material is required by TBD for a proposing firm to be considered:

The Proposal and six (6) copies are to include the following:

- I **Title Page**
Title page showing 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.
- II **Table of Contents**
- III **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 within the time period, a statement why the firm believes itself to be best qualified to perform the engagement and a statement that the proposal is a firm and irrevocable offer for the period covered.

IV Detailed Proposal

The detailed proposal should follow the order set forth in Section VI B of this request for proposals.

V Guarantees and Warranties

- a. Executed copies of Proposer Guarantees and Proposer Warranties attached to this request for proposals (Appendix A).
- b. The proposer shall submit an original and six (6) copies of a dollar cost proposal attached to this request for proposals (Appendix C).
- c. Proposers should send the completed proposal consisting of the two (2) separate envelopes to the following address:
Mr. Robert Chimini, Purchasing Agent
Town of Trumbull
5866 Main Street
Trumbull, CT 06611

Envelope #1: Technical Proposal
Envelope #2: Sealed Dollar Cost Proposal

V. TIME AND FEE REQUIREMENTS

A. Report Submissions

The Auditor will issue reports addressed to the WPCA of the Town of Trumbull by TBD

The final report and 10 signed copies should be delivered simultaneously to:

Ms. Maria Pires, Director of Finance	WPCA
Town of Trumbull	c/o Paul A. Kallmeyer, Vice Chrm.
5866 Main Street	302 Putting Green Road
Trumbull, CT 06611	Trumbull, CT 06611

B. Dollar Cost Proposal

1. Total All-Inclusive Maximum Price

- a. The dollar cost proposal 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 proposed is to contain all direct and indirect costs including all out-of-pocket expenses.
- b. The proposed pricing shall cover the audit of the WPCA funds #20 (operations) and #50 (construction and cap. Improve.).
- c. The Town of Trumbull will not be responsible for expenses incurred in preparing and submitting the technical proposal or the dollar cost proposal. Such costs should not be included in the proposal.

2. Fixed Fees by Category.

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

3. Rates for Additional Professional Services

If it should become necessary for the Town of Trumbull 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 if set forth in an addendum to the contract between the Town of Trumbull and the firm. Any such additional work agreed to between the Town of

Trumbull and the firm shall be performed at the same rates set forth in the schedule of fees and expenses included in the dollar cost proposal in Appendix C.

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 proposal. Interim billings shall cover a Period of not less than a calendar month.

VI SELECTION PROCESS

A. Selection Committee

The WPCA Commission shall serve as the selection committee for this requirement. It shall make its recommendation to the First Selectman for final approval and any other Town committees as may be required by Town Charter.

B Evaluation Criteria

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

1. Mandatory Elements

- The audit firm is independent and licensed to practice in Connecticut.
- The audit firm's professional personnel have received adequate continuing professional education within the preceding three years.
- The firm has no conflict of interest with regard to any other work performed by the firm for the Town.
- The firm submits a copy of its most recent external quality control review report and the firm has a record of quality audit work.
- The firm adheres to the instructions in this request for proposals on preparing and submitting the proposal.
- The firm shall submit one copy of at least two General Purpose Financial Statements issued by Connecticut municipalities in which their opinion is contained.

2. Technical Qualifications

- Expertise and Experience:
- The firm's past experience and performance on comparable government engagements.
- 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.
- Experience with the preparation of federal and state financial assistance and related reports.
- Audit Approach
- Service Delivery Plan: Describe how the firm intends to conduct the audit in the first year versus subsequent years. Describe the service delivery system including what who, will do, how and where. Provide detail on staffing requirements. Describe how the services will be coordinated and monitored and how access to them will be ensured through entrance conferences, progress reporting, and exit conferences.

3. Price

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

4 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 and the firm selected.

The Town 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

WATER POLLUTION CONTROL AUTHORITY (WPCA)
TOWN OF TRUMBULL, CONNECTICUT
REQUEST FOR PROPOSAL (RFP)
SPECIAL AUDIT SERVICES FOR THE WPCA (FUNDS #20 & #59)

RFP #5886

DUE: MAY 26, 2010 at 3:00 PM

PROPOSER GUARANTEES AND WARRANTIES

Proposer Guarantees

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

Proposer Warranties

1. Proposer warrants that it is willing and able to comply with State of Connecticut laws with respect to foreign (non-state of Connecticut) corporations.
2. Proposer warrants that it is willing and able to obtain an errors and omissions insurance policy providing a prudent amount of coverage for the willful or negligent acts, or omissions of any officers, employees or agents thereof.
3. Proposer warrants that it will not delegate or subcontract its responsibilities under an agreement without the express prior written permission of the Town of Trumbull.
4. Proposer warrants that all information provided by it in connection with this proposal is true and accurate.

Company Name

By (Signature)

Address

Print Name

Company Name

Title

Date

Telephone/Fax

APPENDIX B
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TOWN OF TRUMBULL, CONNECTICUT
REQUEST FOR PROPOSAL (RFP)
SPECIAL AUDIT SERVICES FOR THE WPCA (FUNDS #20 & #59)

RFP #5886 **DUE: MAY 26, 2010 at 3:00 PM**

INSURANCE EXHIBIT - PROFESSIONAL SERVICES

The professional individual or firm shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from, or be in connection with the performance of the work hereunder by the individual or the firm, his agents, representatives, or employees. The cost of such insurance shall be included in the proposal.

For the purpose of this clause, the term "professional individual or firm" shall also include the individual's or firm's respective officers, agents, officials, employees, volunteers, boards and commissions.

A. Minimum Scope and Limits of Insurance

1. Broad Form Comprehensive General Liability \$1,000,000 combined single limit per occurrence for bodily injury, personal injury, property damage, and products / completed operations.
2. Automobile Liability \$1,000,000 combined single limit per occurrence for bodily injury and property damage
3. Umbrella Liability \$1,000,000 per occurrence, following form.
4. Workers' Compensation Limits as required by State of Connecticut Labor Code
5. Employers' Liability \$100,000 each accident \$500,000 disease/policy limit \$100,000 disease/each employee
6. Professional Liability (if used on a claims-made basis, insurance coverage shall be maintained for the duration of the contract and for two (2) years following contract completion.) \$1,000,000 per occurrence \$1,000,000 aggregate
7. Personal Property Coverage
8. Adequate insurance to cover the value of personal property (including but not limited to, personal computers) belonging to the Auditor while located on Town property, while in use or in storage, for the duration of the contract.

B. Aggregate Limits

Any aggregate limits must be declared to and be approved by the Town. At the option of the Town, the insurer shall increase or eliminate the aggregate limit and notify the Town of any erosion of aggregate limits.

C. Deductibles and Self-Insured Retention's

Any deductibles or self-insured retention's must be declared to and be approved by the Town. At the option of the Town, the insurer shall reduce or eliminate such deductibles or self-insured retention's as regards the Town or the Auditors shall procure a bond which guarantees payment of the losses and related investigations, claims administration and defense expenses. At no time will the Town be responsible for the payment of deductibles or self-insured retention's.

D. Notice of Cancellation or Non-renewal

Each insurance policy required by this Exhibit shall be endorsed to state that coverage shall not be suspended, voided, canceled, or reduced, either in coverage or in limits, except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the Town.

E. Other Insurance Provisions

The policies are to contain, or be endorsed to contain, the following provisions;

1. Liability, (General, Automobile, Professional) Coverage;

- a. **"The Town of Trumbull and its respective officers, agents, officials, employees, volunteers, boards and commissions"** are to be **named as additional insured** with regards to liability arising out of activities performed by or on behalf of the Auditor; products and completed operations of the Auditor; premises owned, leased or used by the Auditor. The coverage shall contain no special limitations on the scope of protection afforded to the Town.
 - b. The Auditor's insurance coverage shall be the primary insurance as regards the Town. Any insurance or self-insurance maintained by the Town shall be in excess of the Auditor's insurance and shall not contribute with it.
 - c. Any failure to comply with the reporting provisions of the policies shall not affect coverage provided to the Town.
 - d. Coverage shall state that the Auditor's insurance shall apply separately to each insured against whom a claim is made or a suit is brought, except with respect to the limits of the insurer's liability.
2. **Workers' Compensation and Employer's Liability Coverage**
- a. The insurer shall agree to waive all rights of subrogation against the Town for losses arising from the work performed by the Auditor for the Town.
 - b. If State statute does not require the Auditor to obtain Workers' Compensation insurance, then the Auditor shall furnish the Town with adequate proof of the self-employment status/ The Auditor agrees to waive all rights of claims against the Town for losses arising from the work performed by the Auditor. In the event that during the contract this self employment status should change, the Auditor shall immediately furnish proper notice to the Town and a certificate of insurance indicating that Workers' Compensation insurance and Employer's Liability coverage has been obtained by the Auditor as required by this Exhibit.

F. Acceptability of Insurers

1. Insurance is to be placed with insurers which have a Best's rating of at least A.
2. Insurance companies must either be licensed to do business in the State of Connecticut or be deemed to be acceptable by the Town's Finance Director.

G. Verification of Coverage

The Auditor shall furnish the Town with certificates of insurance effecting coverage required by this clause. The certificates and endorsements for each insurance policy are to be signed by a person authorized by the insurer to bind coverage on its behalf. The certificates and endorsements are to be received and approved by the Finance Director before work commences. Renewal of expiring certificates shall be filed thirty (30) days prior to expiration. The Town reserves the rights to require complete, certified copies of all required policies, at any time.

All insurance documents required by this Exhibit shall be mailed to the Director of Finance.

Signed: _____ Title: _____

Date; _____

APPENDIX C

WATER POLLUTION CONTROL AUTHORITY
TOWN OF TRUMBULL
REQUEST FOR PROPOSAL (RFP)
SPECIAL AUDIT SERVICES FOR THE WPCA (FUNDS #20 & #59)

RFP #5886 DUE: MAY 26, 2010 at 3:00 PM

PROPOSAL

To be submitted on your firm's letterhead in a separate envelope.

Firm's Name: Location of office staffing the audit: _____

Number of Municipal professional audit Number of Municipal audit staff to be assigned staff at this location: to
Town: _____

Connecticut Municipal audit clients (FY engagements for municipalities with populations of 20,000 or more):

The Proposer, in compliance with this Request for Proposal, has examined the specifications and related documents and hereby proposes to provide this service in accordance with this RFP and any contract documents within the time frames set forth herein and at prices agreed to.

SCHEDULE OF PROFESSIONAL FEES AND EXPENSES

Total Cost Proposal _____
(written amount)

_____ Dollars

Rates per hour for and other services to be performed outside the specified scope contained herein:

- Partner: \$_____/hour
- Manager: \$_____/hour
- Supv. Staff: \$_____/hour
- Other: \$_____/hour

Company Name

By (Signature)

Address

Print Name

Company Name

Title

Date

Telephone/Fax

APPENDIX D

**WATER POLLUTION CONTROL AUTHORITY (WPCA)
TOWN OF TRUMBULL, CONNECTICUT
REQUEST FOR PROPOSAL (RFP)
SPECIAL AUDIT SERVICES FOR THE WPCA (FUNDS #20 & #59)**

RFP #5886

DUE: MAY 26, 2010 at 3:00 PM

SAMPLE AUDIT SERVICES PROPOSAL LETTER (To be submitted on your firm's letterhead)

Town of Trumbull
5866 Main Street
Trumbull, CT 06611

Dear:

We have read the Request for Proposal and fully understand its intent and contents. We certify that we have adequate personnel, insurance, equipment, and facilities to fulfill the specified requirements. We understand that our ability to meet the criteria and provide the required services shall be judged solely by the Selection Committee.

We have attached the following:

1. Proposal as outlined in Section V
2. Appendix A: Proposer Guarantees and Warranties
3. Appendix B: Insurance
4. Appendix C: Fixed Fees (separate envelope).

It is further understood and agreed that all information included in, attached to, or required by the Request for Proposal shall be public record upon delivery to the Town of Trumbull.

Submitted by Date
Signature Title
Telephone