

**The Village of Elmwood Park**

**REQUEST FOR PROPOSALS**

December 14, 2020

**AUDITING SERVICES**

**PROPOSALS DUE**

**January 15, 2021 by 5 p.m.**

## **Village of Elmwood Park Request for Proposal**

### **INTRODUCTION**

#### **General Information**

The Village of Elmwood Park is requesting proposals from qualified firms of certified public accountants to audit its financial statements for the fiscal years ending April 30, 2021 through April 30, 2023, with the option of auditing its financial statements for each of the subsequent three fiscal years' subject to an annual review by the Village Board of Trustees. These audits are to be performed in accordance with generally accepted auditing standards.

There is no expressed or implied obligation for the Village of Elmwood Park to reimburse responding firms for any expenses incurred in preparing proposals in response to this request.

**To be considered, please submit your proposal no later than 5:00 p.m. on January 15, 2021. Proposals must be submitted to the following address:**

**Village of Elmwood Park Audit RFP  
Attn: James Parenti  
11 Conti Parkway  
Elmwood Park, IL 60707**

Questions on the engagement or proposal can be submitted via email to [jparenti@elmwoodpark.org](mailto:jparenti@elmwoodpark.org)

The Village of Elmwood Park reserves the right to reject any or all proposals submitted. During the evaluation process, the Village reserves the right to request additional information or clarifications from proposers, or to allow corrections of errors and omissions. The Village may choose to interview the top firms prior to making a final decision. No subcontracting will be permitted.

### **DESCRIPTION OF THE GOVERNMENT**

The Village of Elmwood Park (the "Village"), incorporated in 1914, a home rule municipality under the Illinois Constitution, is located in Cook County approximately 13 miles west of downtown Chicago and encompasses approximately 1.7 square miles. The Village is bordered by the City of Chicago to the north and east, the Village of River Forest to the south and the Village of River Grove to the west. The Village is located entirely within Leyden Township. According to the 2019 U.S. Census, the Villages Population is 24,098.

The Village is accessible from 5 major interstate highways in the Chicago area. The Village lies approximately 3.5 miles north of Interstate 290, approximately 8 miles north of Interstate 55, approximately 5 miles east of Interstate 294, and approximately 5 miles south of Interstate 90/94. The Village is also located approximately 7 miles southeast of O'Hare International Airport and 11 miles northwest of Midway Airport. Commuter rail service to Chicago's downtown is provided by Metra's Milwaukee District West Line, as well as via the Chicago Transit Authority's Blue Line in nearby Forest Park.

The Village is administered by a manager-trustee form of government. The President is the Village’s chief executive officer and is elected to a four-year term. Six trustees who serve four-year staggered terms (the “Board of Trustees”) along with the President implement policy of the Village. The President and the Board of Trustees are elected on an at-large basis. Day-to-day operations of the Village are directed by a Village Manager who is appointed by the President and Board of Trustees (the “Village Board”).

Currently, the Village regularly employs 119 full-time and 88 part-time personnel, supplemented by approximately 84 seasonal employees. Included in the regular totals are the Police Department staffing of 35 full-time sworn police officers, as well as 33 full-time/part-time civilian personnel; and the Fire Department staffing of 26 full-time personnel.

The Village provides police and fire services to its citizens and also operates its own library.

Utilities servicing the area include Northern Illinois Gas Company and Commonwealth Edison Company. The Village owns and operates its own water and storm and sanitary sewer systems, which supply Lake Michigan water purchased from the City of Chicago. The Village is responsible for collection of sewerage and delivery to major interceptors of the Metropolitan Reclamation District of Greater Chicago which treats the effluent.

Finance department staff consists of eight full-time employees, which includes a director, one utility billing coordinator, and three customer service representatives, and an accounts receivable / collections coordinator. The Village utilizes Springbrook software for its general ledger, accounts payable, accounts receivable, utility billing, building permit and cash register functions. Payroll is outsourced (Paycom) and Municipal Software Inc. (MSI) is utilized for parking ticket issuance as well as local adjudication of ordinance and code violations.

The Village currently is utilizing the following Funds accounting for all revenues and expenditures/expenses:

Major Governmental Funds

General Fund  
 Capital Projects Fund  
 Debt Service Fund  
 Enterprise Funds  
 Water Operations Fund  
 Garbage Fund

Debt Service Funds

Debt Service

Special Revenue Funds

Motor Fuel Tax Fund  
 Parks & Recreation  
 Emergency Telephone System  
 IMRF  
 Grand Harlem Special Tax Allocation  
 Grand Corridor Special Tax Allocation  
 North Harlem Special Tax Allocation  
 North Harlem Business District

Fiduciary Funds

Police Pension Fund  
 Fire Pension Fund  
 IMRF

For additional information regarding the Village and its finances, including copies the current budget and Annual Financial Report, please refer to the Village's website at <http://www.elmwoodpark.org>

## **REQUIREMENTS OF PROPOSAL**

### **ENTITY TO BE AUDITED**

The Village of Elmwood Park is requesting an audit which includes all of the funds, accounts, capital assets, long-term debt and activities of the Village of Elmwood Park including a Fire Pension Fund.

### **SCOPE OF WORK TO BE PERFORMED**

1. The Village of Elmwood Park desires the auditor to express an opinion on the fair presentation of its basic financial statements, in conformity with generally accepted accounting principles.
2. The auditor will issue an "in relation to" opinion on the Village's combining and individual fund statements and schedules.
3. The auditor shall be responsible for performing certain limited procedures involving required supplementary information required by the Governmental Accounting Standards Board (GASB) as mandated by generally accepted auditing standards.
4. The Comprehensive Annual Financial Report (CAFR) is to be presented consistent with GASB and Government Finance Officers Association (GFOA) CAFR standards and practices. The Village will submit the report to the GFOA CAFR award program. The auditor is responsible for preparing any responses to the GFOA regarding CAFR deficiencies, if any.
5. The auditor shall prepare the Comprehensive Annual Financial Report (CAFR); including drafting and typing such report.
6. The auditor shall prepare a letter to management with suggestions for improvements of accounting procedures, compliance requirements, and internal controls for the Village's consideration, if deemed necessary.
7. The auditor shall be available for meeting(s) with the Village's elected officials to answer questions regarding the proposal, completed audit and/or letters to management, if requested.
8. The audit partner, or their designee, shall be available for consultation and questions which arise throughout the year regarding accounting, compliance or internal control issues.

9. The auditor shall assist in the preparation of the Village's Annual Treasurer's report by providing a Summary Statement of the Funds and a review of the final document before publication.
10. The auditor shall prepare a Single Audit Report as required by the Single Audit Act, if required.
11. The auditor will be responsible for the compilation and filing of the Illinois Comptroller's Annual Financial Report for the Village.
12. The auditor shall provide to the Village all audit adjustments, including appropriate back-up, and will meet with staff to discuss these final adjustments.

### **REPORTS TO BE ISSUED**

Following the completion of the audit, the auditor shall issue the following reports:

1. Twelve (12) bound copies and one searchable pdf of the Comprehensive Annual Financial Report, including the front and back cover and the tabs.
2. Twelve (12) copies and one searchable pdf of the Management Letter with suggestions for improvement of accounting procedures, compliance requirements and internal controls for the Village's consideration, if deemed necessary.
3. Twelve (12) bound copies and one searchable pdf of the Single Audit report, if required.
4. Three copies and electronic filing of the State of Illinois Comptrollers report.

### **TIME REQUIREMENTS**

Each of the following shall be completed by the auditor no later than the date indicated.

1. Detailed Requested Items List  
The auditor shall provide the Village with a list of all schedules to be prepared by management by May 1<sup>st</sup>.
2. Fieldwork  
The Village desires final fieldwork to be conducted in July. Preliminary fieldwork is encouraged, but not required.
3. Draft and Final Reports  
The Village desires that a draft of the audit be submitted no later than September 1<sup>st</sup>. All reports (CAFR, Report on Internal Controls, Comptrollers report, Pension Fund Annual Statement, etc.) must be delivered to the Village in final and complete form no later than October 15<sup>th</sup> of each year.

#### 4. Presentation

The Village might require that the auditors attend the Village Board meeting for an audit presentation in October.

If the proposing firm foresees any issues with meeting this schedule, it should be noted in the proposal with an alternate schedule.

### **ASSISTANCE TO BE PROVIDED TO THE AUDITOR**

Finance Department staff and responsible management personnel will be available during the audit to assist the firm by providing information, documentation and explanations. The Village will provide the auditor with reasonable workspace, table and chairs. The auditor will also be provided with access to one telephone and fax line, and photocopying facilities.

### **PROPOSAL SUBMISSION:**

In addition to the forms included in this RFP, any firm submitting a proposal shall include documentation and information that demonstrates their ability and details the necessary systems, programs, processes, to provide a comprehensive audit of the Village of Elmwood Park's financial statements. Please provide a proposal with the following sections:

1. Title Page — the title page shall show the request for proposal's subject; the firm's name and address; the name and telephone number of a contact person; and the date of the proposal.
2. Detailed Technical Proposal — please see below for details and requirements regarding the technical proposal.
3. References - Proposers shall provide the Village with the names and contact information of three (3) professional references for which similar municipal audit services have been provided. The proposer shall grant the Village permission to contact said references and ask questions regarding prior work performance.
4. Fee Proposal — proposed fees should be presented using the **Fee Proposal Form**. The proposed fees shall be the maximum, not to exceed fee for each fiscal year shown. The proposed maximum fees are to contain all direct and indirect costs, including all out-of-pocket expenses. 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 proposal. Final payment will be made after the receipt of the Comprehensive Annual Financial Report (CAFR).
5. Certifications - All certifications and forms in Section II must be completed and submitted with the proposal.

### **Technical Proposal**

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 Village of Elmwood Park in conformity with the requirements of this request for proposal. 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.

The technical proposal should address, at minimum, all the points outlined in the request for proposal. The proposal should be prepared simply and economically, providing a straightforward, concise description of the proposer's capabilities to satisfy the requirement of the request for proposal. While additional data may be presented, the following subjects, item numbers two through five must be included. They represent criteria against which the proposal will be evaluated.

2. Independence

The firm shall provide an affirmative statement that it is independent of the Village as defined by generally accepted auditing standards. The firm shall give the Village written notice of any professional relationships entered into during the period of this agreement should it be thought to cause a conflict of interest.

3. Firm Qualifications and Experience

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

4. 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 registered as a certified public accountant in Illinois. The firm also should provide information on the government auditing experience of each person. The firm should provide as much information as possible regarding the number, qualifications, experience and training of the specific staff to be assigned to this engagement.

5. Specific Audit Approach

The proposal should set forth a work plan, including an explanation of the audit methodology to be followed. Proposers will be required, at minimum, to provide the following information on their audit approach:

- Description of audit approach.
- Level of staff and number of hours to be assigned to each proposed segment of the engagement.
- Approach to be taken to gain and document an understanding of the Village's internal control structure.

## **EVALUATION OF PROPOSALS**

Proposals will be evaluated on the basis of which proposer meets the requirements of the Village of Elmwood Park. Critical factors include technical expertise, qualifications of the firm and audit team, and fee.

The Village Board will consider final acceptance of the proposal, under the recommendations of the Finance Director.

**Indemnification** - The selected contractor shall indemnify and hold harmless the Village of Elmwood Park ("Village"), its board members, officers, directors, agents, employees, representative and assigns, from lawsuits, actions, costs (including attorney's fees), claims or liability of any character, incurred due to the alleged negligence of the Contractor, brought because of any injuries or damages received or sustained by any person, persons or property on account of any act or omission, neglect or misconduct of said Contractor, its officers, agents and/or employees arising out of, or in performance of any of the provisions of the Contract Documents, including and claims or amounts recovered for any infringements of patent, trademark or copyright; or from any claims or amounts arising or recovered under the "Worker's Compensation Act: or any other law, ordinance, order or decree. In connection with any such claims, lawsuits, actions or liabilities, the Village, its trustees, officers, directors, agents, employees, representatives and their assigns shall have the right to defense counsel of their choice. The Contractor shall be solely liable for all costs of such defense and for all expenses, fees, judgments, settlements and all other costs arising out of such claims, lawsuits, actions or liabilities.

The Contractor shall not make any settlement or compromise of a lawsuit or claim, or fail to pursue any available avenue of appeal of any adverse judgment, without the approval of the Village and any other indemnified party. The Village or any other indemnified party, in its or their sole discretion, shall have the option of being represented by its or their own counsel. If this option is exercised, then the Contractor shall promptly reimburse the Village or other indemnified party, upon written demand, for any expenses, including but not limited to court costs, reasonable attorneys' and witnesses' fees and other expenses of litigation incurred by the Village or other indemnified party in connection therewith.

## **Insurance Requirements**

The Contractor shall obtain and thereafter keep in force the following insurance coverage:

### Professional Liability

- Coverage for professional services rendered with limits of at least \$2,000,000 to \$5,000,000 per professional. Any aggregate limit must be unimpaired.
- Any retroactive date or prior acts exclusion must predate both the date of the execution of the contract and any earlier commencement of any services.

- This coverage must be maintained for a period of 2 to 5 years after final completion of the work.

## Workers Compensation

- Workers compensation coverage: statutory limits required by all authorities having jurisdiction in locations in which any Contractor operates, and in which the work required by the contract awarded is performed.
- Employer's liability coverage:
  - ▲ \$500,000 Bodily injury by accident – each accident
  - ▲ \$500,000 Bodily injury by disease – each employee
  - ▲ \$500,000 Bodily injury by disease – policy limit

The Employer's Liability Limits may be combined with either an Excess or Umbrella Liability policy.

- The policy shall include a waiver of subrogation endorsement in favor of Village of Elmwood Park and its subsidiaries under form #WC000313 or its equivalent.

## Conditions Applying to All Coverages

- Any deductibles or self-insured retentions must be declared to and approved by Village of Elmwood Park.
- Any changes to the coverages required must be authorized in advance by Village of Elmwood Park and be documented in writing.
- The certificate shall provide that 60 days' prior written notice of cancellation be given to Village of Elmwood Park and its subsidiaries. The wording "endeavor to...but failure to do so shall impose no obligation or liability of any kind upon the insurer, its agents or representatives" should be stricken from the Acord certificate form.
- Certificates for renewal policies must be issued 10 days prior to the renewal date.
- All coverages must be in a company approved to do business in the state and carrying a rating of at least A<sup>+</sup> by A.M. Best's. Coverages for subcontractors must have a carrier rating of at least A- VIII by A.M. Best's.
- Vendor shall be responsible for assuring that all subcontractors are properly insured and maintain the same coverages, terms, and conditions as required by this agreement.

- Village of Elmwood Park reserves the right to increase or expand these requirements when it deems prudent.
  
- If any of the insurance required to be maintained by the contract is written with aggregate limits, the Contractor shall actively monitor all claims, incidents and occurrences that may affect such insurance to assure that the application of the aggregate limit will not have the practical effect of reducing the minimum amount of insurance coverage that is available on a per occurrence or per claim basis. If, at any time, the full minimum per occurrence or per claim limit is not available for the payment of claims, or Village of Elmwood Park or Vendor reasonably believes that such limits may not be available, Vendor shall take immediate steps to increase the aggregate limits as necessary to provide such coverage, notify Village of Elmwood Park in writing, subject to the insurance requirements herein, maintain separate insurance protection that is not subject to the aggregate limit.

## **II - REQUIRED PROPOSAL SUBMISSION DOCUMENTS**

## CONTRACTOR'S CERTIFICATION

The assurances hereinafter made by the Contractor are each a material representation of fact upon which reliance is placed by the Village of Elmwood Park in entering into the contract with the Contractor. The Village of Elmwood Park may terminate the contract if it is later determined that the Contractor rendered a false or erroneous assurance; and the surety providing the performance bond shall be responsible for the completion of the contract.

I, \_\_\_\_\_, hereby certify that I am the \_\_\_\_\_,  
(Name of Person Certifying) (Office of Person  
Certifying)  
of \_\_\_\_\_, and as such hereby represent and warrant to the  
(Name of Contractor)  
Village of Elmwood Park, a unit of local government, that the Contractor, and if it is a partnership, its general partners and if it is a corporation, its shareholders holding more than five percent (5%) of the outstanding shares of the corporation, its officers and directors are:

- (A) not delinquent in the payment of taxes to the Illinois Department of Revenue in accordance with 65 ILCS 5/11-42.1-1;
- (B) not barred from contracting as a result of a violation of either Section 33E-3 (bid rigging) or 33E-4 (bid-rotating) of the Criminal Code of 1961 (720 ILCS 5/33E-3 and 5/33E-4);
- (C) not in default, as defined in 5ILCS 385/2, on an educational loan, as defined in 5ILCS 385/1;

In addition, the Contractor hereby represents and warrants to the Village of Elmwood Park, that:

- (A) the Contractor has and will comply with all laws relating to the employment preference to veterans in accordance with the Veterans Preference Act (330 ILCS 55/0.01 *et seq.*);
- (B) the Contractor, pursuant to 30 ILCS 580/1 *et seq.* ("Drug-Free Workplace Act"), will provide a drug-free workplace by:
  - (1) Publishing a statement:
    - a. Notifying employees that the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance including cannabis, is prohibited in the Contractor's workplace;
    - b. Specifying the actions that will be taken against employees for violations of such prohibition;
    - c. Notifying the employee that, as a condition of employment on such

Contract, the employee will;

- i. Abide by the terms of the statement;
    - ii. Notify the employer of any criminal drug statute conviction for a violation occurring in the workplace no later than five (5) days after such conviction;
  - (2) Establishing a drug-free awareness program to inform employees about:
    - a. the dangers of drug abuse in the workplace;
    - b. the Contractor's policy of maintaining a drug-free workplace;
    - c. any available drug counseling, rehabilitation, and employee assistance program; and
    - d. the penalties that may be imposed upon employees for drug violations;
  - (3) Making it a requirement to give a copy of the statement required by Subsection (D)(1) to each employee engaged in the performance of the Contract, and to post the statement in a prominent place in the workplace;
  - (4) Notifying the Village within ten (10) days after receiving notice under paragraph(D)(1)e from an employee or otherwise receiving actual notice of such conviction;
  - (5) Imposing a sanction on, or requiring the satisfactory participation in a drug abuse assistance or rehabilitation program by any employee who is so convicted, as required by 30 ILCS 580/5;
  - (6) Assisting employees in selecting a course of action in the event drug counseling treatment and rehabilitation is required and indicating that a trained referral team is in place;
  - (7) Making a good faith effort to continue to maintain a drug-free workplace through implementation of this section;
- (C) the Contractor has not excluded and will not exclude from participation in, denied the benefits of, subjected to discrimination under, or denied employment to any person in connection with any activity funded under the contract on the basis of race, color, age, religion, national origin, disability, or sex;

- (D) the Contractor, at the time the Contractor submitted a bid on this contract, had an Illinois Department of Human Rights pre-qualification number or had a properly completed application for same on file with the Illinois Department of Human Rights, as provided for in 44 Illinois Administrative Code 750.210;
- (E) the Contractor has not given to any officer or employee of Village of Elmwood Park any gratuity, discount, entertainment, hospitality, loan, forbearance, or other tangible or intangible item having monetary value including, but not limited to, cash, food and drink, and honoraria for speaking engagements related to or attributable to the government employment or the official position of the employee or officer in violation of Section 2-8A-3 of the Code of the Village of Elmwood Park;
- (F) no Village officer, spouse or dependent child of a Village officer, agent on behalf of any Village officer or trust in which a Village officer, the spouse or dependent child of a Village officer or a beneficiary is a holder of any interest in the Contractor; or, if the Contractor's stock is traded on a nationally recognized securities market, that no Village officer, spouse or dependent child of a Village officer, agent on behalf of any Village officer or trust in which a Village officer, the spouse or dependent child of a Village officer or a beneficiary is a holder of more than one percent (1%) of the Contractor, but if any Village officer, spouse or dependent child of a Village officer, agent on behalf of any Village officer or trust in which a Village officer, the spouse or dependent child of a Village officer or a beneficiary is a holder of less than one percent (1%) of such Contractor, the Contractor has disclosed to the Village in writing the name(s) of the holder of such interest;
- (G) neither it nor any of its principals, shareholders, members, partners, or affiliates, as applicable, is a person or entity named as a Specially Designated National and Blocked Person (as defined in Presidential Executive Order 13224) and that it is not acting, directly or indirectly, for or on behalf of a Specially Designated National and Blocked Person and that the Contractor and its principals, shareholders, members, partners, or affiliates, as applicable, are not, directly or indirectly, engaged in, and are not facilitating, the transactions contemplated by this Agreement on behalf of any person or entity named as a Specially Designated National and Blocked Person;
- (H) the Contractor acknowledges that, pursuant to the provisions of the Illinois Freedom of Information Act, (5 ILCS 140/1 *et seq.*), documents or records prepared or used in relation to work performed under this agreement are considered a public record of the Village; and therefore, within thirty (30) days of completion of the work required of the Contractor under this agreement, the Contractor shall produce to the Village, in electronic format, all records that directly relate to the governmental function performed by the Contractor under this agreement at no additional cost to the Village; and furthermore, the Contractor shall review its records and promptly produce to the Village any additional records in the Contractor's possession which the Village requires in order to properly respond to a request made pursuant to the Illinois Freedom of Information Act (5 ILCS 140/1 *et seq.*), and the Contractor shall produce to the Village such records within three (3) business days of a request for such records from the Village at no additional cost to the Village.



**REFERENCES**

ORGANIZATION: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

CITY, STATE, ZIP : \_\_\_\_\_

PHONE NUMBER : \_\_\_\_\_

CONTACT PERSON: \_\_\_\_\_

ORGANIZATION: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

CITY, STATE, ZIP : \_\_\_\_\_

PHONE NUMBER : \_\_\_\_\_

CONTACT PERSON: \_\_\_\_\_

ORGANIZATION: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

CITY, STATE, ZIP : \_\_\_\_\_

PHONE NUMBER : \_\_\_\_\_

CONTACT PERSON: \_\_\_\_\_

Proposer's Name and Title: \_\_\_\_\_

Signature and Date: \_\_\_\_\_

**FEE PROPOSAL**

For all work described and required for:

FY 2021      \$ \_\_\_\_\_

FY 2022      \$ \_\_\_\_\_

FY 2023      \$ \_\_\_\_\_

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

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

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

Signed: \_\_\_\_\_