



**REQUEST FOR PROPOSAL
FOR
AUDIT SERVICES**

CITY OF HENDERSONVILLE, NORTH CAROLINA

Due Date: **April 2, 2021** Time: 5:00 pm

Email submissions to

jbuchanan@hvlnc.gov

Email subject must be
"RESPONSE TO RFP FOR AUDIT SERVICES".

REQUEST FOR PROPOSAL FOR AUDIT SERVICES – CITY OF HENDERSONVILLE, NC

The City Council of The City of Hendersonville (hereinafter called the “City”) invites qualified independent auditors (hereinafter called “auditor”) having sufficient governmental accounting and auditing experience in performing an audit in accordance with the specifications outlined in this Request for Proposal (RFP) to submit a proposal.

There is no expressed or implied obligation for the City of Hendersonville to reimburse firms for any expenses incurred in preparing proposals in response to this request.

The specific details shown herein shall be considered minimum unless otherwise shown. The specifications, terms, and conditions included with this RFP shall govern in any resulting contract(s) unless approved otherwise in writing by the City of Hendersonville. The bidder consents to personal jurisdiction and venue in a state court of competent jurisdiction in Henderson County, North Carolina.

Type of Audit

The audit will encompass a financial and compliance examination of the City’s Comprehensive Annual Financial Report (CAFR) in accordance with the laws and/or regulations of the State of North Carolina, which include requirements for the minimum scope of the audit. The financial and compliance audit will cover federal, state, and local funding sources in accordance with generally accepted auditing standards; *Government Auditing Standards*, the Single Audit Act of 1984; the Single Audit Act Amendments of 1996; the provisions of OMB Circular No. A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, including revisions; the State Single Audit Implementation Act; and all other applicable laws and regulations.

The scope of the audit and all fee quotes presented should include all approved and known pronouncements through the date of proposal submission. This includes, but is not limited to Governmental Accounting Standards Board statements and Government Auditing Standards. Although some pronouncements will not be in effect until after the first year of the audit, estimates for future years should include pronouncements that will become effective during that contract period. The audit firm will be expected to advise appropriate City staff on the applicability of accounting and reporting standards as they become effective.

The financial audit opinion will cover the financial statements for the governmental activities, the business-type activities, each major fund and the remaining fund information, which collectively constitutes the basic financial statements. The combining and individual financial statements, schedules, and related information are not necessary for fair presentation, but will be presented as additional analytical data. This supplemental information, as required by GASB 34, will be subjected to the tests and other auditing procedures applied in the audit of the basic financial statements, and an opinion will be given as to whether the supplemental information is fairly stated in all material respects in relation to the basic financial statements taken as a whole. The auditor shall express an opinion on the budgetary comparison information for the General Fund, the major funds and any annually budgeted special revenue funds. An opinion will not be given on the Management Discussion and Analysis.

The working papers shall be retained and made available upon request for no less than three years from the date of the Audit report.

The audit will also include the following:

- a. Pre-planning conference with Finance staff where both the auditor and Finance staff discuss their expectations of the audit.
- b. Interim audit work prior to June 30th and/or prior to final close.
- c. Attendance at City Council meeting for presentation of the financial statements by Manager or Partner of the Audit Staff with comments and potential questions from Council as requested.

The audit should encompass all funds and entity-wide activities as reported in the City's Comprehensive Annual Financial Report (CAFR) at June 30, 2020 and any additional funds or entity-wide activities that may be added subsequent to that date.

If required, the audit firm will issue a management letter to the City Council after completion of the audit and assist management in implementing recommendations, as is practical. City staff also request that an informal letter be addressed to the Finance Officer with any efficiency, internal control or accounting improvements that could be made based on the audit staff's observation during their fieldwork. All content must be discussed with the Finance Officer prior to issuance. The audit firm is encouraged to discuss the content while the management letter is in draft form to ensure that all parties fully understand the circumstances that lead to auditor comments.

The City staff may require the auditor's guidance or input on the completion of certain schedules/documents as to proper format and content, so that they can be used in the audit process as well as inclusion in the City's financial statements. Guidance may be required for new note disclosures, all outstanding and effective authoritative standards and other reporting requirements at June 30 year-end. Cost for providing these services should be included in the auditor's base fee quote and will not be considered extra for additional billings. In cases, however, where services requested would require a more in-depth scope and require work significantly above the original fee quote, such additional fees must be negotiated prior to commencement of work.

Auditor Requirements

The audit firm is considered to be an independent contractor and will be wholly responsible for the services and the supervision of its own employees and permitted sub-contractors.

A planning meeting will be held each year to determine schedules that the City will be responsible for preparing. Estimated timeframes will be established and interim audit work will be planned. Adequate notification will be given prior to any changes in estimated times.

If the City of Hendersonville audit engagement is subject to the standards for audit as defined in Government Auditing Standards, 2018 revisions, issued by the Comptroller General of the United States, then by accepting this engagement, the Auditor warrants that he has met the requirements for a peer review and continuing education as specified in Government Auditing

Standards. The Auditor must provide a copy of their most recent peer review report with their proposal.

The City staff will prepare all standard year-end accruals and other adjusting journal entries. The Financial Statement Preparer will assist City staff prepare the government wide year-end adjusting journal entries as well as any necessary entries to allocate the state pension balances. The City shall designate an individual, such as the Finance Officer, with the suitable skills, knowledge, and/or experience (SKE) necessary to oversee the services and accept responsibility for the results of the services performed. The City management will ultimately be responsible for the preparation and fair presentation of the financial statements, which includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements. The City will need the assistance of the Financial Statement Preparer for the preparation, typing, proofing, printing, and copying of the Basic Financial Statements, supplementary information and compliance reports. The City of Hendersonville's Finance Officer will prepare the MD&A. A preliminary draft of the audit and required adjusting journal entries must be submitted to the Finance Officer by October 1 for proofing and reconciliation to the City's records to allow ample time for review and corrections before it is sent to the Local Government Commission. The City of Hendersonville's Finance Officer will return the draft to the Financial Statement Preparer with proposed revisions within 10 working days. The financial statement preparer will be ultimately responsible for the preparation, typing, proofing, printing, and copying of the Basic Financial Statement, supplementary information and all applicable compliance reports.

Meeting LGC deadlines is a high priority for the City. Therefore, the City of Hendersonville prefers interim fieldwork be completed in June. Year-end fieldwork should begin by or before mid-August and be completed by late September. While most documents can be shared electronically, the City expects that the audit firm staff will be onsite for fieldwork, including manager and partner level staff for at least a portion of the onsite work. An agreed upon post-closing trial balance must exist by September 30. The Finance Officer will expect a listing of requested information needed for the audit at the preplanning conference, periodic conferences during the conduct of the audit, as well as an exit conference prior to the completion of fieldwork.

Ten copies of each Audit report, management letter, and other applicable reports must be supplied to the Finance Officer within the time frame cited above. In addition, the auditor is responsible for complying with the requirements of the LGC for submitting the audit and all associated documents and forms as required for the year under audit when (or prior to) submitting the final invoice for audit services rendered to the Commission.

In the event that circumstances arise during the audit that require work to be performed in excess of the original estimates, any additional costs will be negotiated prior to commencement of the work and an amended contract will be approved by the governing board and forwarded to the staff of the LGC for approval.

Either the manager or partner of the audit staff is required to present and attend the City Council's meeting in which the Audit report is presented. Required communications to the Council can be delivered at this point, as well as general comments regarding the audit process and the results of the audit. Finance staff will coordinate this presentation and determine the date

and time of the meeting, typically held the first Thursday of the month following the audit completion.

Period

The City intends to continue the relationship with the auditor for no less than three years on the basis of annual negotiation after the completion of the first year contract. Each year after negotiation has taken place an annual contract documenting the terms of the audit will be signed. Since one governing board may not obligate future governing boards, the remaining years of the agreement are subject to annual governing board approval. The City of Hendersonville reserves the right to request proposals at any time following the first year of this contract. Thus, prepare proposals for the following years, with Year one being the only obligated year:

July 1, 2020 to June 30, 2021

July 1, 2021 to June 30, 2022

July 1, 2022 to June 30, 2023

The required current revision of the form “Contract to Audit Accounts” (form LGC-205) is required to be executed as the contract document; however, the auditor and the City may also execute an engagement letter and/or a City contract to include additional terms not addressed in the LGC-205. The entire audit contract package must be approved by the staff of the Local Government Commission. Invoices are subject to approval by the LGC prior to payment by the City. Interim or progress billings for services rendered marked approved by the LGC will be paid up to 75% of the total fee prior to submission of the final audited financial statements to the staff of the Local Government Commission. The final 25% of the Audit fees (final invoice) will be paid when the financial statements, single audit (if applicable), management letter and amended contract (if applicable) have been reviewed or approved by the LGC.

Audit Contract & Payment of Audit Fees

The audit contract must be approved by the staff of the Local Government Commission. Invoices are subject to approval by the LGC staff and the appropriate Grantor Agency, if applicable, prior to processing by the City. Interim or progress billings will be accepted up to 75% of the total fee prior to submission of the audited financial statements to the staff of the Local Government Commission and their approval of the audited financial statements.

Description of Selection Process

The City requests that no City officials be contacted during this proposal process. Submit questions regarding the RFP in writing via email to jbuchanan@hvlnc.gov . Any additional information disclosed to participating audit firms prior to bid submission will be shared with all interested parties

Proposals will be submitted in two sections and must be physically signed by an authorized representative of the Audit firm. The first section will be comprised of the audit firm’s prior experience and qualifications of its personnel in performing governmental audits. The second section will consist of completed cost estimate sheets. The Finance Office staff will evaluate the

auditor/firm on educational and technical qualifications. The firm best meeting the City's expectations for experience, audit approach, and cost requirements will be selected.

PLEASE KEEP IN MIND THAT COST, WHILE AN IMPORTANT FACTOR, WILL NOT BE A SOLE DETERMINING FACTOR. UNUSUALLY LOW BIDS THAT ARE OBVIOUSLY OUT OF LINE WITH OTHER BIDDERS OR ARE SIGNIFICANTLY LOWER THAN OUR CURRENT FEES WILL RAISE CONCERN. THE LOWEST BID WILL NOT AUTOMATICALLY BE AWARDED PREFERENTIAL CONSIDERATION.

The City reserves the right to reject any or all bids, waive technicalities, and to be the sole judge of suitability of the services for its intended use and further specifically reserve the right to make the award in the best interest of the City.

Failure to respond to any requirements outlined in the RFP, or failure to enclose copies of the required documents, may disqualify the bid. Firms must be registered with the North Carolina State Board of CPA Examiners.

First Section - Qualifications

The first section should address the requested information below. The corresponding responses should begin with the number below for the requested information.

1. Indicate the Audit firm's North Carolina office location(s) that will handle the audit.
2. Indicate the number of people (by level) located within the local office that will handle the audit. Provide other resources available to your staff.
3. Provide a list of the current and prior government audit clients, indicating the type(s) of services performed and the number of years served for each.
4. Provide names, addresses, and telephone numbers of personnel of current and prior governmental audit clients who may be contacted for a reference.
5. Indicate the experience of the firm in providing additional services to government clients by listing the name of each government, the type(s) of service performed, and the year(s) of engagement.
6. Describe your audit organization's participation in AICPA-sponsored or comparable quality control programs (peer review). Provide a copy of the firm's current peer review.
7. Describe the professional experience in governmental audits of each senior and higher level person assigned to the audit, the years on each job, and his/her position while on each audit. Indicate the percentages of time each senior and higher-level personnel will be on site.
8. Describe the relevant educational background of each person assigned to the audit, senior level and higher. This should include seminars and courses attended within the past three years, especially those courses in governmental accounting and auditing.
9. Describe the efforts your firm makes to keep its staff informed of developments relevant to government issues.
10. Describe the professional experience of assigned individuals in auditing relevant government organizations, programs, activities, or functions for Municipal Water Utilities.
11. Describe any specialized skills, training, or background in public finance of assigned individuals. This may include participation in any State or national professional organizations (GFOA), speaker or instructor roles in conferences or seminars, or authorship of articles and books.
12. Describe the firm's Statement of Policy and Procedures regarding Independence under Government Auditing Standards (Yellow Book), July 2011 Revision. Provide a copy of the firm's Statement of Policy and Procedures.
13. Is the firm adequately insured to cover claims? Describe liability insurance coverage arrangements.

14. Describe any regulatory action taken by any oversight body against the proposing audit organization or local office.
15. Provide a brief summation of the reasons you believe your firm should be selected. In particular, the City is interested in the unique capabilities of your firm that distinguish it from other firms. Be specific and relate this discussion to how the City will benefit by choosing your firm as an auditor.

Second Section

Proposals should include completed cost estimate sheets and any other necessary cost information ***submitted separate from the proposal***, and titled– “Audit RFP Cost Estimate.” The City plans to evaluate the qualifications of all firms submitting proposals before considering the Cost Estimate.

This second section should include the following information:

1. Type of audit program used (tailor-made, standard government, or standard commercial).
2. Use of statistical sampling.
3. Use of automated processes and internal control testing methods.
4. Use of computer audit specialists.
5. Organization of the audit team and the approximate percentage of time spent on the audit by each member.
6. Assistance expected from the government’s staff, if other than outlined in the RFP.
7. Tentative schedule for completing the audit within the specified deadlines of the RFP.
8. Provide total costs using the Summary of Audit Costs Sheet for the audit year July 1, 2020 to June 30, 2021. For the two audit years, which follow, list the estimated costs. The cost for the audit year ending June 30, 2021 is binding, while the second and third years are estimated costs. Cost estimates must indicate the basis for the charges and whether the amount is a “not-to-exceed” amount. If applicable, note your method of determining increases in audit costs on a year to year basis.
9. Details should be separately provided for the following:
 - A. Personnel costs – Itemize the following for each category of personnel (partner, manager, senior, staff accountants, clerical, etc.) with the different rates per hour.
 - 1) Estimated hours – categorize estimated hours into the following:
 - On-site interim work,
 - Year-end on-site work,
 - Work performed in the auditor’s office.

- 2) Rate per hour.
 - 3) Total cost for each category of personnel and for all personnel costs in total.
 - B. Travel – itemize transportation and other travel costs separately.
 - C. Cost of supplies and materials – itemize.
 - D. Other costs – completely identify and itemize.
8. Please list any other information the firm may wish to provide.
9. Summary of Audit Costs Sheet must be included with all proposals.

Time Schedule for Awarding the Contract

Request for proposal packages will be emailed to audit firms listed in the audit vendor list provided by the LGC by **March 8, 2021**. The RFP package will also be posted on the City website www.hvlnc.gov (by March 9).

No pre-proposal conference will be held. Any questions that might arise and for general background information on the City and its operations please contact John Buchanan, jbuchanan@hvlnc.gov.

Proposals signed by authorized officials will be received by email until **April 2, 2021 at 5:00 p.m.** Email subject should be clearly identified with the words “RESPONSE TO RFP FOR AUDIT SERVICES”. City staff will review the proposals and make a recommendation to the City Council. The City Council will award the contract at its regularly scheduled meeting on May 6, 2021.

Evaluation Criteria

The review committee will make a recommendation based on criteria and the qualifications of Offerors. The evaluation of the Proposals by the Review Committee shall include, but are not limited to the following criteria listed below in no particular order:

- ***Qualifications and experience of the firm in governmental audits***
Demonstration of the firm's commitment to governmental issues by knowledge of current issues and membership and participation in related organizations such as the Government Finance Officer's Association. In addition, the firm's ability to communicate to the City the changes in relevant regulations and the public financial/accounting environment.
- ***Qualification, experience and technical competence of key staff of the proposed team assigned to the City audit.***
Demonstrated experience, qualifications, and professional activities of the audit team, including technical expertise of supervisory staff available to perform "on-site" work as well as other resources readily available to the firm in key areas to assist the City. These key areas include such specialization as municipal government, municipal water utilities, and Federal funding auditing. .
- ***Compliance with the general bidding requirements and general submission of proposal requirements of the RFP***
Responsiveness of the proposal in clearly stating an understanding of the work to be performed; responsiveness to terms and conditions, including scheduling; completeness and thoroughness of the technical data and documentation
- ***Ability to meet the RFP's priorities and outcomes***
- ***Firm size and organization structure***
- ***Total Cost***

Proposal Evaluation and Offeror Selection

The evaluation and selection criteria and process contained in this RFP will be used by City staff to evaluate the Proposals. Staff will recommend their selection(s) to the City Manager, and after consensus between the City Manager and staff, the City Manager will recommend a prospective audit firm to the City Council and seek the Council's concurrence and authorization to consider entering into an agreement with the selected Prospective Auditing Firm.

Selection Process

The City may, in its discretion, require one or more offerors to appear before an evaluation committee for an interview or to make a presentation. During such interview, the offeror may be required to orally and otherwise present its proposal and to respond in detail to any questions posed. Additional meetings may be held to clarify issues or to address comments, as deemed appropriate. Offerors will be notified in advance of the time and format of such meetings. Since the City may choose to award a contract without engaging in discussions or negotiations, the proposal submitted shall define each offeror's best offer for performing the services described in this RFP.

The commencement of such discussions, however, does not signify a commitment by the City to execute a contract or to continue discussions. The City may terminate discussions at any time and for any reason. The City will have a period of up to (60) days, unless otherwise stated, to decide which proposal best meets the criteria outlined in the RFP. The City reserves the right to waive any minor informalities or irregularities which do not go to the heart of the proposal or prejudice other offers. The City may also reject, for good and compelling reasons, any and all proposals submitted.

Description of the Governmental Entity and Its Accounting System

Entity

The City of Hendersonville is a City in western North Carolina with a population of approximately 14,277. The City has operated under the "Manager-Council" form of government since January 1994. Policy making and legislative authority are vested in the City Council, which consists of a mayor and a four-member council.

The City is authorized by the *Machinery Act of North Carolina* to levy a property tax on both real and personal property located within its legal boundaries. The City contracts with Henderson County to bill and collect its property taxes.

A full range of services, including police and fire protection, street construction and maintenance and parks maintenance is provided. In addition, the City has three proprietary funds, the Water & Sewer Fund, which operates a Water Treatment Plant and a Wastewater Treatment system which provides services to more than 65,000 persons, The Environmental Services Fund, and Stormwater Fund. The City anticipates adding a fourth proprietary fund for parking services.

Budgeted revenues for FY2020-2021, excluding project amounts, are budgeted at \$16,722,891 for the General Fund, \$17,605,675 for the Water and Sewer Fund, \$1,404,017 for the Environmental Services Fund, and \$575,423 for the Stormwater. The City of Hendersonville prepares a five-year Capital Improvement Plan. The current year of the CIP is adopted as part of the annual budget. For capital projects estimated at over \$1 million dollars and expected to span over one fiscal year are adopted by Council as Capital Project Ordinances.

Governmental outstanding debt totaled \$27,608,560 as of June 30, 2020 and Enterprise Debt outstanding was \$27,343,284 for the same period. The City expects to issue additional debt in the following year.

The City has received a Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association (GFOA) of the United States and Canada since 1988. The auditor is expected to assist the City in maintaining its certification through technical assistance and timely compliance with new reporting requirements. The Finance Department may require the auditor's guidance on the completion of certain schedules/documents as to proper format and content, so that they can be used in the audit process as well as for inclusion in the City's CAFR. Guidance will be required for new note disclosures, all approved GASB's as well as GASB implementations, and other reporting requirements. These services will be included in the base bid.

The City of Hendersonville Board of Alcoholic Control (ABC) a discretely presented component unit, maintains its own financial records. The ABC Board's audit as well as preparation of its financial statements is completed by another accounting firm and is not part of this proposal request.

Funds

The City of Hendersonville maintains the following funds:

Governmental Funds

- General Fund,

- Governmental Capital Project Fund

- Special Revenue Funds – All Non-Major Funds:

 - Downtown Tax District Fund (MSD)

 - Seventh Ave. Tax District Fund (MSD)

 - Grants Fund

 - Special Revenue Fund

- Permanent Funds:

 - None

Proprietary Funds

- Enterprise Funds:

 - Water and Sewer Fund

 - Environmental Services (Solid Waste) Fund

 - Stormwater

 - Water and Sewer Capital Project Fund

 - Stormwater Capital Project Fund

- Internal Service Fund:

 - Health and Welfare Fund

Fiduciary Funds:

- Utility Billing Custodial Fund- (Billing collections for other systems)

Grants, Entitlements, and Shared Revenues

A copy of the Schedule of Expenditures of Federal and State Awards for the year ended June 30, 2020 is shown in the Comprehensive Annual Financial Report posted on the City's website www.hvlnc.gov . Also included is a Summary of Auditor's Results showing the major programs for the prior year. The City has had no findings or question costs related to the audit of Federal and State awards for the preceding three fiscal years. .

Budgets

The City budgets all funds on the modified accrual basis of accounting as required by North Carolina law. Appropriations are made at the departmental level. The City also maintains an encumbrance system. All encumbrances, except for capital project ordinance funds, lapse at year end. Both the budgetary and encumbrance systems are integrated with the accounting system to provide easy comparison with actual expenditures.

Accounting Records

The City of Hendersonville maintains all its accounting records at the finance office located at 160 6th Ave. E, Hendersonville, NC. The City maintains its cash receipts journal, cash disbursements journal, general ledger, and accounts receivable ledger on a cloud based system, Oracle Fusion Cloud.

Assistance Available to Auditor

The City will make available to the auditor all records, and prepare and mail all necessary confirmations. A final trial balance with budgeted amounts will be made available via Excel by August 20, 2021. The following accounting procedures will be completed and documents prepared by the City's staff no later than September 3, 2021:

- The books of account will be fully balanced.

- All subsidiary ledgers will be reconciled to control accounts.

- All bank account reconciliations for each month will be completed.

The City's personnel will prepare the following items:

General

1. Working Balance Sheet for each fund.
2. Working Statement of Revenues, Expenditures, and Transfers for each fund.
3. General Ledger transaction detail report for each account.
4. A copy of the original budget, all amendments, and the final budget as of June 30, 20xx.
5. A copy of all project ordinances and all amendments for active projects during the audit period.
6. A copy of board policies, including travel policies, investment policies, debt policies, fund balance policies and purchasing policies including how the pre-audit process is performed.
7. Copies of all signed Board meeting minutes.
8. Copies of all correspondence with the staff of the Local Government Commission, including semiannual Cash and Investment Reports (LGC-203), unit letters, letters regarding the audited financial statements and compliance reports for the previous year.
9. Required supplementary information, e.g. actuarial information for the Law Enforcement Officers' Separation Allowance.

Cash and Investments

1. All bank reconciliations for each month
2. List of outstanding checks by account, showing check number, date, and amount.
3. Schedule of all investments for all funds at the audit date, showing book value and estimated market value at fiscal year-end.

Receivables

1. Listing of unpaid tax bills in detail totaled by year as of fiscal year end.
2. Listing of outstanding receivables by account as of the fiscal year end.
3. Listing of outstanding receivables in detail as of the fiscal year end.
4. Schedule of miscellaneous receivables booked as of the fiscal year end.

Other Assets

1. Schedule of insurance coverage.

Capital Assets

1. Listing of all capital assets
2. Printout of all capital asset acquisitions made during the audit year.
3. Printout of all capital asset dispositions made during the audit year.
4. Printout of depreciation expense posted for the audit year.

Current Liabilities

1. Schedule of accounts payable including batch printouts.

Long-Term Debt

1. Computation of vested vacation payable as of the audit date.
2. Debt Schedule for each debt issue and related payments.

Grants

The following will be compiled for each grant:

1. Grant agreement.
2. Grant Budget.
3. All financial reports.
4. Correspondence with the grantor agency, including monitoring reports.
5. CFDA # and/or pass-through grant #.

Size and Complexity of City

Personnel/Payroll

Number of employees	305 FTE
Frequency of payroll	bi-weekly
Number of payroll direct deposit advises	690 per month (all employees)

Property Tax

Number of tax bills issued (without motor vehicles)	Billed by Henderson County
Number of motor vehicle tax bills issued	done by State Tax & Tag
Total dollar amount of most recent year's collections	\$10,384,754 98.64%
Total dollar amount of levy	\$10,527,833

Water & Sewer Billing

Total number of active accounts	29,599
Avg Number of statements each month	29,599
Avg number of delinquent accounts at month end	550
Avg number of payments accepted & processed in house	1200
Avg number of payments processed by lockbox	5100
Avg number of bank E-box payments processed	4840
Avg credit cards processed online	14,400
Avg ACH Direct Bank Draft	3500

Purchasing

Number of purchase orders issued to date for FY21	392
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Bank Accounts

Number of bank accounts	5
Number of escrow accounts	2
Average monthly activity in main accounts	
Number of deposits (Central Depository)	400
Number of checks:	
Central Depository	380
Payroll	0

Management Information Systems:

Number of PCs on the premises	155
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Number of employed programmers capable of
modifying the operating system and the applications programs **none**

The City has contracted with VC-3 for offsite, Cloud servers, backup & support, (Virtual Office) includes all servers, computers, software for all departments except Police and portions of Engineering GIS systems. Financial software and data is housed and supported on Oracle Cloud services.

The following financial applications are on the Oracle Fusion software computer system:

- General Ledger
- Accounts Payable
- Payroll & Human Resources
- Budgeting
- Purchasing
- Capital Assets

The following interrelated applications are on separate computer systems

- Utility Billing and Collections- MuniLink
- Inventory – Citi-works
- Automated Meter Reading System – Sensus

Other Information:

The City's fiscal year ending June 30, 2020 audit has been submitted to the LGC and is pending approval at the time of this request.

The City expects to issue debt in fiscal year 2021.

The City does not maintain an internal audit function.

Notification of Award:

The successful respondent will be notified of the award of contract following the favorable decision made by City Council. No other proposers will be personally contacted.

Contact information:

John Buchanan, CPA, CLGFO
160 6th Avenue East
Hendersonville, NC 28792
(828)233-2880

jbuchanan@hvlnc.gov Please note that email is the preferred method of communication.

Prior year CAFRs can be found on our website
www.hvlnc.gov
under Departments / Finance after March 1, 2016

SUMMARY OF AUDIT COSTS SHEET --FIRM NAME _____

	FY21	FY22	FY23
	<i>Binding</i>	<i>Estimate</i>	<i>Estimate</i>
Base Audit Fee: Includes all personnel costs, travel, and on-site work, supplies and materials – provide separate detail as described below	\$	\$	\$
Financial Statement Preparation: Includes preparation and printing of CAFR	\$	\$	\$
Extra Audit Services (if needed)			
Other Costs: (Explain)			
TOTAL:	\$	\$	\$

Separately provide detail for the following components of the *Base Audit Fees*:

Personnel costs –

Itemize the following for each category of personnel (partner, manager, senior, staff accountants, clerical, etc.) with the different rates per hour.

Estimated hours – categorize estimated hours into the following:

of Hours -On-site interim work, # _____ Rate per hour _____

of Hours -Year-end on-site work, # _____ Rate per hour _____

of Hours -Work performed in the auditor's office # _____ Rate per hour _____

Total cost for each category of personnel and for all personnel costs in total.

Travel – itemize transportation and other travel costs separately.

Cost of supplies and materials – itemize.

Other costs – completely identify and itemize.

If applicable, note your method of determining increases in audit costs on a year to year basis.

This RFP for Audit Services is submitted by:

Offeror/Firm Name: _____

Authorized Representative Name: _____
(Print)

Authorized Representative Signature: _____ **Date:** _____

Address: _____

City/State/Zip: _____

Telephone: _____
(Area Code) Telephone Number

Facsimile: _____
(Area Code) Fax Number

It is understood by the Offeror that The City of Hendersonville reserves the right to reject any and all Proposals, to waive formalities, technicalities, and to recover and rebid this RFP.

This RFP is valid for sixty (60) calendar days from the RFP due date.

**A certificate of insurance and W9 must be received prior to any work being done.
No Business License is required in the City of Hendersonville or Henderson County, NC**