REQUEST FOR PROPOSALS (RFP)

RFP #2026-01 — FORENSIC AUDIT SERVICES
COMPREHENSIVE FINANCIAL, DISBURSEMENT & INTERNAL CONTROLS EXAMINATION

Issuing Agency:	City of Pahokee, Florida 207 Begonia Drive, Pahokee, FL 33476
Solicitation Title & Number:	RFP #2026-01 — Comprehensive Forensic Audit Services
Procurement Inquiries Contact:	Kametra Driver, Strategic Planner Email: kdriver@cityofpahokee.com
Proposal Submission Deadline:	November 17, 2026 at 2:00 PM (EST)
Submittal Location:	DemandStar
Target Execution Period:	Fiscal Year 2026/2027

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SECTION I – GENERAL CONDITIONS & INSTRUCTIONS TO PROPOSERS

A. The City of Pahokee, Florida, a Florida municipal corporation located in Palm Beach County, Florida ("City"), is requesting competitive proposals from responsible, qualified, and responsive firms of Certified Public Accountants (CPAs), Certified Fraud Examiners (CFEs), and specialized forensic investigative accounting firms to perform an independent, comprehensive forensic examination of municipal financial records, cash-handling procedures, accounts payable, purchasing cards, bank reconciliations, payroll, and internal control structures across designated historical periods. Sealed proposals will be accepted until 2:00 p.m., EST, on Tuesday, November 17, 2026, at City Hall, 207 Begonia Drive, Pahokee, Florida 33476, at which time they will be publicly opened and recorded.

B. Proposals may be submitted in person at the City Clerk's Office, or via U.S. Mail or commercial courier service. Sealed packages must be plainly and visibly marked on the exterior: "RFP #2026-02 — FORENSIC AUDIT SERVICES — NOVEMBER 17, 2026" along with the Proposer's legal business name and return address.

C. Proposals received after the designated deadline will not be viewed. It is the sole responsibility of the respondent to ensure the proposal is uploaded in DemandStar AND hardcopies received prior to the deadline.

D. Submission Quantities: Proposers shall submit one (1) clearly marked, manually signed original proposal, four (4) hard copies, and one (1) electronic copy on a USB flash drive (searchable PDF format). Proposers must submit their Cost / Fee Proposal in a separate, clearly marked, sealed inner envelope titled "APPENDIX A: COST PROPOSAL — RFP #2026-01".

E. The City reserves the right to reject any or all proposals, or any part of any proposal, to waive any minor informality or irregularity in any proposal, and to award a contract deemed to be in the best interest of the City. All proposals submitted must comply with all applicable local ordinances, state statutes, and federal laws and regulations, including equal employment opportunity mandates.

F. Inquiries and Cone of Silence: Direct all inquiries regarding this RFP in writing to Kametra Driver, Strategic Planner, via email at kdriver@cityofpahokee.com. The deadline to submit written inquiries is November 9, 2026, at 5:00 p.m., EST. All written questions received and formal City responses will be issued as written addenda posted on the DemandStar. Proposers are solely responsible for verifying the issuance of addenda prior to submission. From the date of release of this solicitation until final award by the City Commission, a strict Cone of Silence is in effect: no contact with City personnel, elected officials, or evaluation committee members related to this solicitation is permitted, except through the City Clerk.

G. Public Records Compliance: Proposers acknowledge that the City is subject to Chapter 119, Florida Statutes (Public Records Law). Proposals are exempt from public inspection until such time as the City provides notice of an intended decision or until thirty (30) days after opening, whichever occurs earlier, pursuant to § 119.071(1)(b), F.S. Any confidential or exempt trade-secret material must be clearly segregated and marked.

> **PUBLIC RECORDS CUSTODIAN NOTICE:** IF THE CONTRACTOR HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE CONTRACTOR'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS CONTRACT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT: Nylene Clarke, City Clerk; Telephone: (561) 924-5534; Email: cityclerk@cityofpahokee.com; Address: 207 Begonia Drive, Pahokee, FL 33476.

H. Public Entity Crimes & Scrutinized Companies: Pursuant to § 287.133, F.S., a person or affiliate placed on the convicted vendor list following a conviction for a public entity crime may not submit a proposal, be awarded, or perform work on a public contract for a period of 36 months. Pursuant to §

287.135, F.S., the Proposer certifies that it is not engaged in a boycott of Israel and is eligible to contract with the City.

I. Firm Offer & Binding Period: Submittals shall remain binding upon the respondent and irrevocable for ninety (90) calendar days following the RFP submission deadline.

SECTION II – MUNICIPAL OVERVIEW & BACKGROUND

A. Incorporation & Governance: The City of Pahokee is located on the eastern shore of Lake Okeechobee in Palm Beach County, Florida. Operating under a Commission-Manager form of government, the City is governed by a five-member City Commission consisting of the Mayor and four City Commissioners. The City Commission appoints the City Manager, City Clerk, and City Attorney.

B. Municipal Operations: The City provides general governmental services to its residents, including Executive Administration, Finance & Accounting, City Clerk, Parks and Recreation, Public Works, Planning and Zoning, Cemetery Operations, and Marina and Campground operations. Law enforcement services are contracted through the Palm Beach County Sheriff's Office (PBSO), and Fire/Rescue services are provided through Palm Beach County Fire Rescue. The City operates Enterprise Funds (including Marina and Campground facilities) and Special Revenue Funds in addition to its General Fund.

C. Financial Administration & Prior Audits: The City maintains its own internal financial ledgers, accounts payable, payroll, and cash collection records. Budgets are integrated within the municipal financial accounting system. Prior fiscal years' independent financial statement audits were conducted by external certified public accounting firms.

D. Absence of Internal Audit Department: The City of Pahokee does not maintain an internal audit department. The City Commission has determined that an independent, external forensic audit is imperative to ensure complete transparency, institutional accountability, and verification of historical financial transactions.

E. Procurement Schedule:

Issuance of Request for Proposals (RFP #2026-FA)	October 30, 2026
Deadline for Submission of Written Questions	**November 9, 2026 at 5:00 PM (EST)**
Deadline for Submission of Proposals (Public Opening)	**November 17, 2026 at 2:00 PM (EST)**
Evaluation Committee Proposal Scoring & Ranking	December 01, 2026 (Tentative)
Oral Presentations / Vendor Interviews (if requested)	TBD
Recommendation & Contract Award by City Commission	TBD

SECTION III – COMPREHENSIVE SCOPE OF FORENSIC AUDIT SERVICES

A. Purpose & Standards: The primary objective is to examine specific municipal financial accounts, internal control systems, disbursement records, and cash-handling processes to identify potential irregularities, unauthorized expenditures, policy non-compliance, fraud, waste, or abuse across designated historical periods. The examination shall be conducted in accordance with:

- Statement on Standards for Forensic Services No. 1 (SSFS 1) issued by the AICPA.
- Code of Professional Standards of the Association of Certified Fraud Examiners (ACFE).

- Government Auditing Standards (Yellow Book) issued by the U.S. Government Accountability Office (GAO).
- AICPA Attestation Standards and Agreed-Upon Procedures Guidelines.
- Applicable Florida Statutes, including Chapters 112, 166, 218, and Rules of the Auditor General (Chapter 10.550).

B. Three Specific Financial Domains & Timeframes: The selected Consultant shall furnish all labor, supervision, specialized forensic data analytical tools, and investigative capabilities required to complete testing across three core focus areas:

FOCUS AREA A: ACCOUNTS PAYABLE, VENDOR DISBURSEMENTS & CREDIT TRANSACTIONS

• Audit Timeframe: January 11, 2023 through September 30, 2026

- **Vendor Master File Data Matching:** Perform electronic cross-matching between vendor Tax Identification Numbers (TINs), physical addresses, bank accounts, and telephone numbers against current and former City employee/official master files to identify potential undisclosed conflicts of interest, affiliated vendor relationships, or shell entities.
- **Disbursement Authorization & Risk Testing:** Audit vendor onboarding protocols, approval workflows, and master file maintenance. Review high-risk disbursements, payments issued without valid purchase orders, split purchase orders designed to circumvent City Commission approval thresholds, duplicate payments, rounded invoice figures, sequential invoices from single vendors, and manual or off-cycle check runs.
- **Purchasing Cards & Credit Cards (100% Review):** Conduct a 100% forensic review of all municipal credit card, Purchasing Card (P-Card), and store charge account statements and primary receipts for the entire period. Flag unapproved, personal, missing-receipt, split-ticket, or prohibited purchases; verify whether sales tax was improperly paid; and confirm compliance with Pahokee purchasing policies and Florida law.
- **Procurement & Bidding Compliance:** Reconcile disbursements against authorized Purchase Orders, approved contracts, City Commission resolutions/minutes, and statutory procurement thresholds.

FOCUS AREA B: CASH HANDLING, DISBURSEMENTS & BANK RECONCILIATIONS

• Audit Timeframe: June 28, 2022 through September 30, 2026

- **Cash Receipting & Daily Deposits:** Evaluate internal controls, segregation of duties, physical security, cash drawers, and receipting systems across all municipal intake points (City Hall cashiering, utility/water payments, parks and recreation, Pahokee Marina and Campground, cemetery services, and building/permitting). Trace cash receipts from original point of intake through intermediate transport logs to validated bank deposit slips and bank statements to detect potential skimming, lapping, delayed deposits, or unrecorded cash.
- **Cash Disbursements & Wire Transfers:** Perform 100% sampling/testing on manual checks, wire transfers, and Automated Clearing House (ACH) electronic disbursements. Verify strict adherence to two-factor/dual authorization protocols, examine signature authenticity, and confirm legitimate municipal business purpose.
- **Independent Multi-Period Bank Reconciliations:** Perform independent, multi-period reconciliations of all municipal bank accounts. Investigate unrecorded cash flows, outstanding reconciling items, stale-dated checks, voided transactions, unusual timing differences, debit/credit memos, and retroactive or manual journal entries altering cash balances.

FOCUS AREA C: PAYROLL, OVERTIME & EMPLOYEE EXPENSE REIMBURSEMENTS

• Audit Timeframe: June 28, 2022 through September 30, 2026

- **Payroll Integrity & Ghost Employees:** Match active and historical payroll registers against IRS Form W-2 / 1099 records, state unemployment databases, Social Security parameters, and physical personnel onboarding/termination files. Identify potential ghost/phantom employees, unauthorized salary adjustments, retroactive pay increases, duplicate direct deposits into identical bank accounts, or improper post-termination compensation.
- **Overtime & Timecard Modifications:** Analyze trends, supervisor pre-approval documentation, timecard modifications, manual punch overrides, and holiday/weekend pay for all paid overtime across all municipal departments. Flag patterns of excessive, unapproved, or falsified overtime.
- **Employee Expense Reimbursements:** Audit travel vouchers, per diem claims, mileage logs, and out-of-pocket reimbursements for elected officials, appointed leadership, and administrative staff for double-billing, non-business items, or inadequate receipts.

C. Scope Deliverables & Reporting Protocols

- **Engagement Work Plan & Calendar:** Within fourteen (14) calendar days of contract execution, submit a comprehensive work plan detailing investigative milestones, document request logs, and staff interview schedules.
- **Progress Briefings:** Bi-weekly written briefing memos updating the City Manager and City Commission on testing progress, records received, and preliminary observations.
- **Detailed Draft Forensic Report:** Deliver a confidential detailed draft report to the City Manager containing forensic methodology, tested sample sizes, internal control deficiencies, narrative findings, and quantified schedules of financial losses/exceptions.
- **Final Forensic Audit Report & Commission Presentation:** Deliver a bound and digital final report incorporating City administrative responses, executive summaries, and prioritized recommendations for internal control enhancements. Deliver an in-person formal presentation to the Pahokee City Commission at a public meeting.
- **Evidence File & Chain of Custody:** Maintain a structured, secure digital evidence archive with verifiable chain of custody supporting all findings of suspected legal violations, fraud, waste, or abuse suitable for referral to law enforcement or judicial authorities.

SECTION IV – QUALIFICATIONS OF THE FORENSIC AUDITOR

Proposing firms and assigned personnel must satisfy the following mandatory minimum credentials at the time of proposal submission:

- **State Licensure:** The firm must be an active Certified Public Accounting (CPA) firm or professional investigative entity legally authorized to practice in Florida, licensed by the Florida Board of Accountancy under Chapter 473, F.S., and registered with the Florida Department of State.
- **Key Staff Certifications (CFE / CPA):** The Project Partner, Engagement Director, and lead forensic investigators assigned to the Pahokee engagement must hold active Certified Fraud Examiner (CFE) and/or Certified Public Accountant (CPA) credentials in good standing.
- **Municipal Forensic Experience:** The proposing firm must have a minimum of five (5) continuous years of verified professional experience performing forensic accounting, fraud investigations, or forensic audits for Florida municipal, county, or state government entities.

- **Strict Professional Independence:** The firm and its assigned personnel must provide an unequivocal statement of strict professional independence from the City of Pahokee, its elected officials, and key management personnel during the audit periods under examination.

SECTION V – PROPOSAL SUBMITTAL REQUIREMENTS & STRUCTURE

Proposals must be organized into six (6) distinct sections with corresponding tab dividers:

- **Tab 1: Transmittal Letter & Executive Profile —** Formal letter signed by an authorized corporate officer describing the firm, legal structure, primary contact, understanding of the engagement, and commitment to the project.
- **Tab 2: Qualifications & Key Staff Resumes —** Detailed resumes of partners, managers, and senior investigators assigned to Pahokee, highlighting CFE/CPA credentials, relevant municipal forensic experience, and Florida licenses.
- **Tab 3: Technical Approach & Work Plan —** Comprehensive technical approach detailing forensic data analytical software, sampling protocols, 100% P-Card audit strategy, interview workflows, chain of custody procedures, and internal control assessment approach across Focus Areas A, B, and C.
- **Tab 4: Municipal Governmental References —** Detailed descriptions of at least three (3) comparable municipal forensic audits completed in Florida within the past 5 years, including entity name, scope, contact person, phone, and email.
- **Tab 5: Staff Availability & Project Timeline —** Workload capacity analysis, staffing availability schedule, and milestone calendar for completing field work, draft report, and final presentation.
- **Tab 6: Mandatory Affidavits & Certifications —** Completed and executed statutory compliance forms from Appendix B.

> **SEPARATE SEALED FEE ENVELOPE REQUIREMENT:** Fee proposals must be submitted in a SEPARATE, SEALED ENVELOPE marked "APPENDIX A: COST PROPOSAL — RFP #2026-FA". The cost proposal must outline a fixed-price engagement total or capped hourly rate structure with a Not-to-Exceed ceiling broken down by Focus Areas A, B, and C.

SECTION VI – EVALUATION CRITERIA & SELECTION PROCEDURES

A. Two-Step Evaluation Process: An Evaluation Committee appointed by the City will review and score all proposals. Proposals will first be evaluated against mandatory threshold criteria (licensure, independence, CFE/CPA certifications, experience). Proposals satisfying mandatory elements will then be scored on technical quality and cost based on the 100-point matrix below:

EVALUATION CRITERIA	WEIGHT	MAX POINTS
1. Firm Experience & Past Municipal Performance: Depth of firm's forensic accounting experience with Florida municipalities/counties; verified reference quality.	**25%**	**25 Points**
2. Qualifications of Key Assigned Staff: Specialized CFE/CPA certifications, governmental forensic experience, and seniority of personnel assigned to Pahokee.	**25%**	**25 Points**

3. Audit Approach, Methodology & Data Analytics: Thoroughness of work plan across Focus Areas A, B, and C; data analytics tools, sampling rigor, and evidence chain of custody.	**30%**	**30 Points**
4. Proposed Timeline & Fee Structure / Cost Proposal: Feasibility of milestone timeline and cost-effectiveness of proposed fee structure (evaluated from sealed envelope).	**20%**	**20 Points**

TOTAL MAXIMUM SCORE: 100 POINTS

B. Oral Presentations: At the discretion of the City, shortlisted firms may be invited to make oral presentations. The Committee will present its final ranking and recommendation to the Pahokee City Commission for formal contract award.

SECTION VII – FORMATION OF CONTRACT

A. Upon selection, the City and successful Proposer will enter into final contract negotiations to confirm the definitive scope, reporting calendar, and Not-to-Exceed fee amount.

B. Selection does not guarantee an award. If the City and top-ranked firm cannot execute an agreement, the City reserves the right to negotiate with the next highest-ranked firm.

C. Award of contract shall become final only upon formal approval by the Pahokee City Commission and complete execution by authorized municipal representatives.

SECTION VIII – CONTRACT TERMS, CONDITIONS & LEGAL PROVISIONS

A. Term: The contract term shall be for one (1) year from execution date, with options to extend upon mutual agreement to complete reporting or provide litigation testimony.

B. Independent Contractor: The Consultant is an independent contractor, with no authority to bind the City or act as a municipal agent.

C. Confidentiality & Evidence Custody: All data, draft reports, and communications developed under this engagement are confidential to the fullest extent permitted by law.

D. Ownership of Documents: All finished and unfinished workpapers, electronic databases, spreadsheets, and forensic reports become property of the City upon payment.

E. Insurance Requirements: Consultant shall maintain Commercial General Liability ($1M/$2M), Automobile Liability ($1M), Statutory Workers' Compensation, and Professional Liability / Errors & Omissions ($2,000,000 per claim and aggregate) throughout the engagement and for three years post-completion.

F. Termination: The City may terminate the agreement for cause immediately, or for convenience upon thirty (30) days written notice.

G. Governing Law: Governed by Florida law; venue shall lie exclusively in Palm Beach County, Florida.

APPENDIX A: COST & FEE PROPOSAL SCHEDULE

(Must marked "APPENDIX A: COST PROPOSAL — RFP #2026-02")

The Proposer proposes to furnish all supervision, labor, forensic software, travel, and materials required to perform the Comprehensive Forensic Audit Services for the City of Pahokee for the following fixed / capped fees:

Focus Area A: Accounts Payable, Vendor Disbursements & Credit Transactions (Jan 11, 2023 – Sept 30, 2026)	**$ _____**
Focus Area B: Cash Handling, Disbursements & Bank Reconciliations (June 28, 2022 – Sept 30, 2026)	**$ _____**
Focus Area C: Payroll, Overtime & Employee Expense Reimbursements (June 28, 2022 – Sept 30, 2026)	**$ _____**
Deliverables, Final Commission Presentation & Digital Evidence Archive	**$ _____**
TOTAL PROPOSED NOT-TO-EXCEED ENGAGEMENT FEE	**$ _____**

Hourly Billing Rates for Supplemental Forensic / Testimony Services:

- Partner / Engagement Director: $ _____ / Hour
- Senior Manager / Quality Reviewer: $ _____ / Hour
- Lead Forensic Investigator (CFE/CPA): $ _____ / Hour
- Senior Forensic Staff / Data Analyst: $ _____ / Hour

Proposer Legal Entity Name: _____

Authorized Signature: _____ Date: _____

Printed Name & Title: _____

APPENDIX B: PROPOSER INFORMATION & MANDATORY CERTIFICATIONS

The following certifications must be executed by an authorized corporate representative and included in Tab 6 of the proposal:

FORM B-1: PROPOSER GENERAL INFORMATION & INDEPENDENCE CERTIFICATION

Legal Entity Name: _____

Primary Business Address: _____

Florida CPA Firm License #: _____ FEIN: _____

Independence Attestation: The Proposer affirms that it is strictly independent of the City of Pahokee, its elected officials, and administrative personnel during the entire audit periods under examination.

Authorized Signature: _____ Date: _____

Printed Name & Title: _____

FORM B-2: NON-COLLUSION AFFIDAVIT (SWORN & NOTARIZED)

The undersigned deponent states under penalty of perjury that this proposal is submitted freely and independently, without collusion, secret understanding, or agreement with any competitor, city official, or evaluation committee member.

Authorized Signature: _____ Date: _____

Printed Name & Title: _____

STATE OF FLORIDA | COUNTY OF _____

Sworn to (or affirmed) and subscribed before me by means of [ ] physical presence or [ ] online notarization this _____ day of _____, 20____, by _____, who is personally known to me or produced _____ as identification.

Notary Public Signature: _____ Commission Expires: _____

FORM B-3: PUBLIC ENTITY CRIMES AFFIDAVIT (§ 287.133, F.S. - SWORN & NOTARIZED)

The Proposer certifies under penalty of perjury that neither the firm nor any affiliate is currently on the Convicted Vendor List maintained by the State of Florida following a conviction for a public entity crime.

Authorized Signature: _____ Date: _____

Printed Name & Title: _____

STATE OF FLORIDA | COUNTY OF _____

Sworn to (or affirmed) and subscribed before me by means of [ ] physical presence or [ ] online notarization this _____ day of _____, 20____, by _____, who is personally known to me or produced _____ as identification.

Notary Public Signature: _____ Commission Expires: _____

FORM B-4: CONFLICT-OF-INTEREST DISCLOSURE CERTIFICATION (§ 112.313, F.S.)

The Proposer certifies that no principal, officer, or assigned employee has any business, financial, or familial relationship with any City of Pahokee elected official or employee. Any potential relationship must be fully disclosed.

Authorized Signature: _____ Date: _____

Printed Name & Title: _____

FORM B-5: E-VERIFY COMPLIANCE CERTIFICATION (§ 448.095, F.S.)

The Proposer certifies registration and active utilization of the federal E-Verify system to confirm employment eligibility of all newly hired staff performing work in Florida.

Authorized Signature: _____ Date: _____

Printed Name & Title: _____

FORM B-6: SCRUTINIZED COMPANIES CERTIFICATION (§ 287.135, F.S.)

The Proposer certifies that it does not boycott Israel, is not on the Scrutinized Companies that Boycott Israel List, and is not on the Scrutinized Companies with Activities in Sudan or Iran Terrorism Sectors Lists.

Authorized Signature: _____ Date: _____

Printed Name & Title: _____