

**CITY OF ERLANGER
SOLICITATION FOR SEALED BIDS
AND PROPOSALS**

The City of Erlanger, 505 Commonwealth Avenue, Erlanger, KY, 41018, hereby solicits and advertises for bids and proposals from qualified accounting firms to perform the City's audit for its fiscal years ending June 30, 2022, 2023 and 2024 with the option for the City to extend the agreement to 2025, as described and specified in the bid packet entitled Erlanger City Audit Bid, copies of which are available at the office of the Erlanger City Clerk, 505 Commonwealth Avenue, Erlanger, KY 41018.

All bids and proposals in response to this advertisement and solicitation must be received by the Erlanger City Clerk on or before 10:00 a.m. on May 20, 2022, on a form provided by the Erlanger City Clerk and completed according to the Bid Instructions provided thereby, including all required attachments; and enclosed within a sealed envelope, with the words "Erlanger City Audit Bid" written, typed or otherwise indicated on the outside of the envelope.

The City of Erlanger reserves the right to not only reject any and all bids and proposals submitted in response to this advertisement and solicitation, for any reason or no reason; but especially those that are not in conformity with either the bid instructions or the specifications provided by the City, but also to accept bids and proposals submitted in response to this advertisement and solicitation that do not conform to those bid instructions and specifications.

**CITY OF ERLANGER
CITY AUDIT
INSTRUCTIONS TO BIDDERS**

1. Read the City Audit Bid Form, Proposal Form, Introduction, Scope of Services, and Agreement attached hereto and made a part hereof by reference. They describe the specifications and contractual provisions related to your proposal. Any changes in those specifications or contractual provisions may invalidate any bid or proposal that includes those changes.
2. Complete the Bid Form attached hereto and made a part hereof by reference by providing the following information in the blanks for it:
 - 2.1 The amount of the bid or proposal. (Please include on Proposal Form Instead)
 - 2.2 The complete name, address, telephone number and e-mail address of the Bidder/Vendor.
 - 2.3 The signature of the Bidder/Vendor or someone signing for the Bidder/Vendor.
 - 2.4 The printed name of the signatory.
 - 2.5 The date.
3. Complete the Agreement attached hereto and made a part hereof by reference by:
 - 3.1 Providing the printed name of the bidder as the Vendor in the blank in the first paragraph.
 - 3.2 Signing the Agreement at the end.
 - 3.3 Have the signature on the Agreement notarized.
4. All Bidders/Vendors must submit one (1) original and one (1) photocopy of the completed bid package.
5. Seal (both the original and photocopy) the signed Bid Form and signed and notarized Agreement with accompanying information within an envelope with the words "Erlanger City Audit Bid" written or otherwise indicated on the outside of the envelope; deliver the sealed envelope to the office of the Erlanger City Clerk, 505 Commonwealth Avenue, Erlanger, Kentucky before 10:00 a.m., prevailing time on or before May 20, 2022.

**CITY OF ERLANGER
CITY AUDIT
BID FORM**

The undersigned Bidder hereby bids for professional services by qualified accounting firms for the proposed ERLANGER CITY AUDIT as described and specified in the bid packet entitled Erlanger City Audit Bid attached hereto and made a part hereof by reference, for the "Amount Bid" indicated on the Proposal Form; and pursuant to the terms and provisions of the Erlanger City Audit Agreement attached hereto and made a part hereof by reference.

This bid, offer, and proposal is irrevocable until the expiration of sixty (60) consecutive calendar days after the date of this bid, offer, and proposal and may be accepted by the City of Erlanger at any time prior thereto, provided that a copy of the Agreement attached hereto is signed on behalf of the City of Erlanger by the Mayor thereof and mailed by certified mail, return receipt requested.

The undersigned Bidder hereby authorizes the City to investigate the Bidder and inspect and copy any and all records, books of account, correspondence, or other documents reasonably necessary for the City to determine the responsibility and ability of the Bidder to comply with the terms and provisions hereof and the Erlanger City Audit Agreement.

Amount Bid

Please complete the following Proposal Form

Complete Name of Bidder

Signature of Bidder or
Authorized Representative

Printed Name of Signatory

Complete Address of Bidder

Telephone Number of Bidder

E-mail address of Bidder

Date

**CITY OF ERLANGER
CITY AUDIT
PROPOSAL FORM**

The maximum fee to satisfactorily complete the provisions described in the bid packet shall be:
(Government Auditing Standards Yellow Book Audit)

\$ _____ for fiscal year 2022

\$ _____ for fiscal year 2023

\$ _____ for fiscal year 2024

\$ _____ for fiscal year 2025 (optional extension)

The cost of each annual fee in the event that a Single Audit is required: (Uniform Guidance Audit)

\$ _____ for fiscal year 2022

\$ _____ for fiscal year 2023

\$ _____ for fiscal year 2024

\$ _____ for fiscal year 2025 (optional extension)

**CITY OF ERLANGER
CITY AUDIT
BID INTRODUCTION**

The City of Erlanger, KY is requesting bids and proposals from qualified accounting firms to perform the City's annual audit for three (3) fiscal years, beginning with the fiscal year ending June 30, 2022.

BACKGROUND

The City of Erlanger operates under a mayor-council form of government. The City has five funds: General Fund, Internal Service Fund, Capital Assets Fund, Police Forfeiture Fund, and Tax Increment Financing.

Revenues for all funds are approximately \$19,000,000. In 2021, the city had combined assets of \$47,980,000.

The City's Finance Director prepares the year-end financial statements and the notes to the financials in accordance with the Government Finance Officers Association Certificate of Achievement Award. The Finance Director also prepares supporting schedules for the balance sheet accounts and prepares all year end accrual adjustments.

A copy of the most recent audit of the financial statements is on the City's website at <https://erlangerky.gov/> under Finance.

**CITY OF ERLANGER
CITY AUDIT
SCOPE OF SERVICES**

The firm will perform an annual audit of the City of Erlanger as follows:

1. In accordance with KRS 91A.040 the auditor shall:
 - a. Audit the accounts of all governmental, fiduciary funds of the City;
 - b. Prepare all audit information in accordance with generally accepted governmental auditing standards, which includes tests of the accounting records and auditing procedures as considered necessary in the circumstances. Where the audit covers the use of state or federal funds, appropriate state or federal guidelines and program compliance shall be utilized and determined;
 - c. Prepare, including the conversion to be in compliance with GASB 87, and provide the City with twelve (12) bound copies.
 - d. Express an overall opinion as to whether the basic financial statements fairly presents the financial position of the City, or state the reasons why an overall opinion cannot be expressed;
 - e. Review compliance and internal accounting controls, outline deficiencies and make recommendations for improvement of controls;
 - f. Assist the City with the preparation of the application for submission of the GFOA's Certificate of Achievement program;
 - g. Present the completed audit and all accompanying documentation to the City legislative body at a regular or caucus meeting;
2. Special provisions:
 - a. Prepare a general audit schedule which outlines anticipated dates for starting the agreement, complete specific components, provide a post audit conference and presentation to the City Council. Fieldwork may commence any time after September 15th but must be completed by the last week of November each year.
 - b. Prepare a schedule with dates of specific tasks for City personnel to complete.

- c. Itemize all billings to clearly show hourly rates and other costs.
3. Should the circumstances disclosed by the audit call for more detailed investigation by the auditor than necessary under ordinary circumstances, the auditor shall inform the City in writing of the need for such additional investigation and the amended agreement shall comply with KRS 91A.040. Any evidence of fraud, such as misappropriation, malfeasance, embezzlement, defalcation or illegal acts, shall be immediately reported to the City Attorney, Attorney General, and the Auditor of Public Accounts of the Commonwealth of Kentucky.
4. Proposal submissions:
 - a. **FIRM INFORMATION.** Include the firm name, size, address of office responding, telephone number, contact person with title, and historic information on establishment including parent company, if applicable. State local presence in the region, if any, and indicate the office location(s) where the majority of the work will be performed.
 - b. **QUALIFICATIONS.** Provide all of the following information: the types of services offered, the firm's in-house capabilities and those services which are typically subcontracted to outside firms; the number of professional Certified Public Accountants (CPAs) on staff who have worked on audits of a similar nature.
 - c. **EXPERIENCE.** Provide a summary table listing representative audits completed by the firm within the last three years. List the experience with implementing Generally Accepted Accounting Procedure (GAAP) and Generally Accepted Auditing Standards (GAAS) changes.
 - d. **STAFFING.** Provide the names of the key people who would be available and selected for assignment to the audit. Include a resume in a standard format, providing title, length of time with the firm, previous employment and total years of experience, professional registrations, awards, and a brief summary of related experience.
 - e. **QUALITY ASSURANCE AND QUALITY CONTROL PROCEDURES.** Provide a description of the techniques used by the firm to provide quality control and assurance. Please include the most recent peer review report.
 - f. **INSURANCE:** Provide proof of General Liability, Professional Liability, and Worker's Compensation:
 1. Commercial General Liability insurance on ISO form CG00011001 (or a substitute providing equivalent coverage). The limit shall not be less than \$1,000,000 per occurrence. ***The City of Erlanger***

must be named as an Additional Insured; the certificate shall specify that the coverage afforded is Primary and Noncontributory with respect to any other coverage available to the City of Erlanger.

2. Comprehensive owned and non-owned automobile liability insurance with a minimum combined single limit of \$1,000,000.
3. Workers Compensation Coverage specific to the State of Kentucky.
4. If you are performing construction services, the additional insured status must be provided by a combination of CG20100707 and CG20370704.
5. If your services involve pyrotechnics, mechanical amusement devices, inflatable amusement devices, animals of any type (including petting zoo or pony rides) or any other services that the City of Erlanger deems applicable, you must also provide a Commercial Umbrella policy with a minimum limit of \$1,000,000.
6. If your services include the sale of alcohol, you must also provide evidence of Liquor Liability Coverage with a minimum limit of \$1,000,000.
7. If your services are professional in nature, such as architectural, engineering, consulting or legal, you must also provide evidence of Professional Liability coverage (also known as Errors and Omissions coverage) with a minimum limit of \$1,000,000.

g. LIST OF REFERENCES.

Provide a list of at least three references for governmental audits performed in Kentucky, including contact person and telephone number:

h. SUPPLEMENTAL INFORMATION

- It is anticipated that the City will expend more than \$750,000 in Federal grant funds during fiscal year 2022 and will therefore be subject to the Federal Single Audit Act pursuant to OMB circular A-133.
- The City of Erlanger uses Springbrook Software as its accounting software for general ledger, accounts payable, purchasing and collections. Fixed assets records are maintained with Intuit ProSeries Fixed Asset Manager. Payroll is currently outsourced to Paycor.
- During the audit, every effort is made to provide requested data and documentation to the auditor as quickly as possible.
- In the past two years there have been no audit adjustments.
- The City does not expect to issue any new debt during fiscal year 2022.
- A computer, with access to view the City's general ledger accounts, is made available to the auditors during their field work.

Questions concerning the bid and proposal should be directed to:

Kara Kramer
Finance Director
Kara.Kramer@cityoferlanger.com
Phone Number (859) 727-7945
Fax Number (859) 727-7944

In order to be considered responsive, your proposal must:

Have your proposed fees listed on the attached form titled "Proposal Form".

Two copies of all additional proposal submissions should be included, in a written format, at the same time as the fee information.

Be submitted in a sealed envelope with the caption "Erlanger City Audit Bid".

Be submitted to the City Clerk, at 505 Commonwealth Avenue, Erlanger, Kentucky 41018 no later than **Friday, May 20th at 10:00 a.m.**, at which time all proposals will be opened and read aloud.

The City reserves the right to request additional information concerning any proposal for purposes of clarification and to grant deadline extensions to this bid and proposal. This bid and proposal does not obligate the City to pay any cost incurred by respondents in the preparation and submission of a bid and proposal. Furthermore, the bid and proposal does not obligate the City to accept or contract for any express or implied services.

**CITY OF ERLANGER
CITY AUDIT
AGREEMENT**

This Agreement is by and between the CITY OF ERLANGER, a city in Kenton County, Kentucky, which shall hereinafter identified and referred to as the “CITY” and _____, who shall hereinafter be identified and referred to as the “VENDOR”;

WITNESSETH:

WHEREAS, the City has requested proposals from qualified accounting firms to perform the City’s annual audit, known as “Erlanger City Audit Bid”, hereinafter referred to as the “Project”, and is described in the bid packet provided by the City of Erlanger; and

WHEREAS, on May 6, 2022, the City advertised in the Kentucky Enquirer and on the City’s website at www.erlangerky.gov the “Erlanger City Audit Bid”, with the Bid and Proposal Forms, Introduction, and Scope of Services attached hereto and made a part by reference; and

WHEREAS, on May 20, 2022, the City received the bid from the Vendor attached hereto and made a part hereof by reference; and

WHEREAS, the bid of the Vendor was approved by the Mayor of the City of Erlanger; and

NOW, THEREFORE, in consideration of the mutual and reciprocal covenants herein, the City and the Vendor hereby agree as follows:

1.0 Time of the Work of the Vendor

The Work of the Vendor **shall begin after September 15th each year** and after this Agreement is signed on behalf of the City and a copy thereof mailed to the Vendor by certified mail, return receipt requested; and the project **must be completed by the last week of November**.

2.0 Quality of Vendor’s Work

The Vendor shall and hereby agrees that all of the Work of the Vendor shall be of superior quality.

3.0 Payments to Vendor

Payments to the Vendor will be made upon completion of the audit and presentation to city council.

4.0 Miscellaneous Provisions

4.1 Governing Law

This Agreement shall be interpreted, construed and governed by Kentucky law.

4.2 Severability

If any provision of this Agreement shall be determined by a Court of competent jurisdiction to be invalid and enforceable, such determination shall not affect the validity or enforceability of the remaining provisions of this Agreement, all of which shall remain in full force and effect.

4.3 Assignability

This Agreement may not be assigned by the Vendor without the written consent of the City.

4.4 Amendment

This Agreement may be amended only by a written agreement signed by the City and the Vendor.

4.5 Prior Agreements

This Agreement constitutes the entire agreement and understanding between the Vendor and the City in regard to the subject matter thereof; and it supersedes all prior agreements, representations and understandings between them, written or oral.

4.6 Headings

Headings of the paragraphs and subparagraphs of this Agreement have been inserted for convenience of reference only, and shall in no way affect the interpretation of, restrict or otherwise modify any of the terms and provisions hereof.

4.7 Waiver

No consent to or waiver by either Erlanger or Recipient of any breach or default of any provision of this agreement by the other, whether expressed or implied, shall

constitute or be interpreted as a consent, waiver or excuse for any other subsequent breach or default of the same or any other provision of this Agreement.

4.8 Notices

All notices required by the provisions of this agreement shall be in writing and mailed by certified mail, return receipt requested, as follows, unless otherwise provided by any signatory to this agreement to all other signatories.

Mayor, City of Erlanger

505 Commonwealth Avenue, Erlanger, Ky. 41018

(PRINTED NAME OF VENDOR)

(PRINTED MAILING ADDRESS OF VENDOR)

IN WITNESS THEREOF THIS AGREEMENT HAS BEEN SIGNED FOR AND ON BEHALF OF THE CONTRACTOR AND THE CITY OF ERLANGER BY AND THROUGH THEIR RESPECTIVE OFFICIALS ON THE DATES INDICATED.

SUBSCRIBED AND SWORN TO before me, a Notary Public, by Jessica Fette, as Mayor of the City of Erlanger, on _____, 2022.

NOTARY PUBLIC
Kentucky, State at Large

MAYOR JESSICA FETTE

Commission Expires _____
State of _____
County of _____

SUBSCRIBED AND SWORN TO before me, a Notary Public, by _____ of _____
(PRINTED NAME OF SIGNATORY) (PRINTED NAME OF VENDOR)
on _____, 2022.

NOTARY PUBLIC

Signature of Signatory

Commission Expires _____
State of _____
County of _____