



# TOWN OF MELBOURNE VILLAGE

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## TOWN OF MELBOURNE VILLAGE REQUEST FOR PROPOSALS ANNUAL INDEPENDENT AUDIT

### I. INTRODUCTION

The Town of Melbourne Village requests proposals from qualified firms of certified public accountants to audit its financial statement for the fiscal years ending September 30, 2022, 2023 and 2024 with two one (1) year renewal options. These audits are to be performed in accordance with generally accepted auditing standards, and any other applicable rules or regulations.

To be considered, an electronic copy of the proposal must be received by the Town Clerk/Treasurer, at [Town@MelbourneVillage.org](mailto:Town@MelbourneVillage.org) by 3:30 p.m. on October 21, 2022. The Town reserves the right to reject any or all proposals submitted and to waive any informalities. During the evaluation process, additional information or clarifications from proposers may be required.

### II. NATURE OF SERVICES REQUIRED

#### A. Scope of Work to be Performed

The Town of Melbourne Village desires the auditor to express an opinion on the fair presentation of its general purpose financial statements in conformity with generally accepted accounting principles. The auditor is not required to audit the combining and individual fund and account group financial statements and supporting schedules. However, the auditor is required to provide an “in-relation-to” report of the combining and individual fund financial statements and supporting schedules based on the auditing procedures applied during the audit of the general purpose financial statements. The auditor shall also 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.

#### B. Reports to be Issued

Following the completion of the audit of the fiscal year’s financial statement, the auditor shall issue:

1. A report on the fair presentation of the financial statements in conformity with generally accepted accounting principles.

2. Management letter comments.

C. Working Paper Retention and Access to Working Papers

All working papers and reports must be retained, at the auditor's expense, for a minimum of three years from the date of audit acceptance by the Town, unless the firm is notified in writing by the Town of Melbourne Village of the need to extend the retention period. The auditor will be required to make working papers available, upon request by the Town Council, Town Administrator, Treasurer or her designee. In addition, the firm shall respond to the reasonable inquiries of successor auditors and allow successor auditors to review working papers relating to matters of continuing accounting significance.

D. Report preparation, editing, printing and distribution of fifteen (15) printed copies and an electronic copy of the report to the Town shall be the responsibility of the auditor.

III. DESCRIPTION OF THE TOWN

A. The Town of Melbourne Village, situated south of the Melbourne International Airport, has a population of approximately 730 living within an area of ½ of one square mile. The Town is a Florida Municipal Corporation which operates under a Mayor/Commission form of government, with four Town Commissioners and one Mayor/Commissioner. The Mayor is the administrative chief of operations and is a volunteer. The Town has three department heads who report to the Mayor and direct day to day operations. The auditor's principal contact with the Town will be Heather Roberts, Town Clerk/Treasurer, or a designee, who will coordinate the assistance to be provided by the Town to the auditor.

The FY 21/22 budgets for the Town's major funds are approx. as follows: General Fund - \$800,000; Investment Fund - \$3,000, Stormwater Utility Fund - \$75,000.

B. Fund Structure

The Town of Melbourne Village uses the following fund types and account groups in its financial reporting:

Fund Type/Account Group

Subfund Types

General fund

Special Revenue funds

Investment Fund

Stormwater Utility Fund

#### IV. TIME REQUIREMENTS

A pre-audit conference will be scheduled by the audit firm with Town officials in October of each year to be audited. The final audit shall be delivered by the second week of June of the following year. Draft copies of the audit and the management letter will be provided to the Town with sufficient time for review and comment prior to the final audit being prepared.

#### V. ASSISTANCE TO BE PROVIDED TO THE AUDITOR

The Town Clerk/Treasurer will prepare summary trial balances and provide other information, documentation and explanations as needed. The Town will provide the auditor with reasonable workspace, tables, and chairs. The auditor will also be provided access to telephones, photocopying facilities. The Town will prepare the Financial Statement for review by the auditors and final presentation.

#### VI. PROPOSAL REQUIREMENTS

All proposals submitted should be arranged in the following manner:

A. Title Page

Information should include the subject of the RFP, the firm's name, the name, address and telephone number of a contact person and the date of the proposal.

B. Table of Contents

C. Transmittal Letter

A signed letter of transmittal should be included briefly stating the proposer's understanding of the work to be done, the commitment to perform the work within the time period and a statement of why the firm believes itself to be the best qualified to perform the engagement.

D. Detailed Proposal

General Requirements – the purpose of the proposal is to demonstrate the qualifications, competence and capacity of the firms seeking to undertake an independent audit of the Town of Melbourne Village in conformity with the requirements of this Request for Proposals. The proposal should demonstrate the qualifications of the firm and of the particular staff to be assigned to this engagement. It should also specify an audit approach that will meet the requirements of this RFP. Although additional data may be included, the following items must be presented as they represent the criteria against which the proposal will be evaluated.

- a. Independence – the firm should provide an affirmative statement that it is independent of the Town of Melbourne Village as defined by generally accepted auditing standards. The firm should list and describe any relationships involving the Town government for the past five years.

- b. License to Practice in the State of Florida – An affirmative statement should be included indicating that the firm and all assigned key professional staff are properly registered to practice in the State of Florida and have all required licenses and permits.
- c. Firm Qualifications and Experience – The proposal should state the size of the firm, the size of the firm’s governmental audit staff, the location of the office from which the work on this engagement is to be performed and the number and nature of the professional staff to be employed in this engagement on a full-time and on a part-time basis.

The firm shall provide information of the circumstances and status of any disciplinary action taken or pending against the firm during the last three (3) years with state regulatory bodies or professional organizations.

- d. Partner, Supervisory and Staff Qualifications and Experience – The firm should identify the staff to be assigned to the engagement and indicate whether each such person is registered to practice as a certified public accountant in the State of Florida. The firm should provide as much information as possible regarding the number, qualifications, experience and training, including relevant continuing professional education of the specific staff to be assigned to this engagement and the number of years of local government audit experience.
- e. Similar Engagement with Other Government Entities – The proposal should list the most significant engagements performed in the last five years that are similar to the engagement described in the RFP. Indicate the scope of work, engagement partners, and the name and telephone number of the principal client contact. Identify all current government clients for which you will be engaged as auditor for the fiscal year ending September 30, 2022.
- f. Specific Audit Approach – The proposal should set forth a work plan, including an explanation of the audit methodology to be followed, to perform the services required in Section II of this RFP.
- g. Identification of Anticipated Potential Audit Problems – The proposal should identify and describe any anticipated potential audit problems and the firm’s approach to resolving these problems.
- h. Noncompliance with Proposal Specifications – The proposal should identify each specific incident of noncompliance with, or exception taken to, the RFP’s specifications.

E. Fee Schedule

- a. Total All-Inclusive Maximum Price – The proposal should include a dollar-cost proposal containing all pricing information relative to performing the audit engagement for FY 21/22 and each of the following three years as described in this request for proposals. The total all-inclusive maximum price to be proposed is to contain all direct and indirect costs including all out-of-pocket expenses. The Town will not be responsible for expenses incurred in preparing and submitting the technical proposal or the dollar cost proposal. Such costs should not be included in the proposal.
- b. Rates by Partner, Specialist, Supervisory and Staff Level Hours Anticipated for Each – The dollar cost proposal should include a schedule of professional fees and expenses that support the total all-inclusive maximum price. The cost of special services should be disclosed as a separate component of the total all-inclusive maximum price.
- c. Rates for Additional Professional services – If it should become necessary for the Town to request the auditor to render any additional services then such additional work shall be performed by an agreement signed by the Town. Any such additional work agreed to between the Town and the auditing firm shall be performed at the same rates set forth in the schedule of fees and expenses.
- d. Manner of Payment – Progress payments will be made on the basis of hours of work completed during the course of the engagement and the out-of-pocket expenses incurred in accordance with the firm’s dollar cost proposal. Interim billings shall cover a period of not less than a calendar month. Payment of the final billing will be made after delivery of the final report and presentation to the Town Commission.

- F. Please identify any required audit service or function that the Town of Melbourne Village omitted in preparing this Request for Proposals.

## VII. PROPOSAL EVALUATION

The proposals will be evaluated in part on those provisions as identified in Section VI. The Melbourne Village Town Commission will make the final decision based on recommendations of the Audit Selection Committee. The Commission will then authorize fee and contract negotiations.

## VIII. TERMS AND CONDITIONS

- A. The Town of Melbourne Village reserves the right without prejudice to reject any or all proposals, to request clarification of information submitted, to request additional information and to waive informalities.
- B. In accordance with federal, state and local regulations the firm shall not discriminate under the contract against any person.
- C. The firm shall not assign or transfer any interest in the contract without prior written approval of the Melbourne Village Town Commission.