

LINCOLN COUNTY, MAINE
REQUEST FOR PROPOSALS - AUDITING SERVICES

A. GENERAL INFORMATION

Lincoln County is seeking proposals from qualified independent certified public accounting firms for auditing and related services for up to five years, which will include fiscal years 2020, 2021, 2022, 2023 and 2024.

These audits are to be performed in accordance with Generally Accepted Auditing Standards, the laws of the State of Maine, the standards set forth for financial audits in the U.S. General Accounting Office's Government Auditing Standards, the Single Audit Act, as well as all current standards of the Government Accountability Standards Board.

The audit will include the financial statements of all Lincoln County departments as well as supplemental reporting of Lincoln County's transactions with Two Bridges Regional Jail (TBRJ), a joint venture with Sagadahoc County.

Lincoln County has a year-round population of approximately 35,000. The 2020 annual county budget is approximately \$12 million, which includes \$2.4 million in contributory funding for TBRJ.

B. AUDIT SPECIFICATIONS

The audit firm shall be engaged to conduct an examination of the financial statements, accounts, records and procedures of all divisions and funds of Lincoln County.

Indicate in your proposal if you agree to meet or exceed the following auditing specifications. Explain any exceptions you have regarding them.

1. The firm shall perform a financial and compliance audit of all funds reported in Lincoln County financial reports, including supplemental reporting of Lincoln County's transactions with Two Bridges Regional Jail.
2. The firm shall examine Lincoln County's statements, conducted in accordance with Generally Accepted Auditing Standards for the purpose of providing an opinion on those statements and their compliance with Generally Accepted Accounting Principles applied on a consistent basis.
3. The audit shall be conducted to satisfy the requirements of the State of Maine Department of Audit and Title 30-A M.R.S.A. § 5823.

4. In connection with the examination of the records and financial statements, the firm shall review the system of internal control, operating procedures and compliance with budgetary and legal requirements by Lincoln County.
The review of internal controls must include an annual review of related processing departments. This review should include but not be limited to the areas of physical security, systems and program documentation, and input/output controls.
5. The audit firm must assist in the preparation and calculation of any GASB requirements for Lincoln County.
6. The firm shall perform a financial and compliance audit in accordance with OMB Circular A-133 for all federally assisted programs if future funding increases to the reporting threshold.
7. Lincoln County views its engagement of an audit firm as an ongoing professional relationship in which the firm is expected to provide consultation services as required on auditing, accounting and other financial management concerns throughout the year.
8. The audit firm shall submit a written report, containing an expression of opinion regarding the financial statements of Lincoln County. The audit firm shall submit a management letter which shall identify management and internal control weaknesses, if any, and propose steps to correct them.
9. The audit firm shall provide ten bound copies, one unbound copy, and one electronic copy of the auditor's report, the financial statements and schedules, and the management letter for each audit conducted.
10. Although Lincoln County prepares their own financial statements, the audit firm is expected to assist in the preparation of the financial statements and supplementary schedules in accordance with Generally Accepted Accounting Principles as needed.
11. The firm shall agree to make available its working papers to meet any financial need (upon request) as well as keeping such papers for a minimum of three years from the final audit report.
12. The audits shall cover the fiscal year for Lincoln County starting January 1, 2020 and ending December 31, 2024.
13. The audit firm shall agree to an entry conference to review the audit program with Lincoln County's Administrator, Finance Director, Treasurer, and/or designated others.
14. The person in charge of the audit shall be available to attend Lincoln County Commissioners' meetings and shall present the audit findings at such meetings.

C. INSTRUCTIONS FOR PROPOSALS

Proposals shall be received no later than 3:00pm on Friday, July 17, 2020. All proposals shall be in a sealed envelope marked "Audit Proposal" and sent to:

Michelle Cearbaugh, Finance Director
32 High Street
P.O. Box 249
Wiscasset, ME 04578

Bids will be opened by the Lincoln County Commissioners at their regular bi-monthly meeting on July 21, 2020.

Your proposal must include the following information at minimum:

1. A brief description of your firm, its county and municipal experience, and a description of the senior personnel to be assigned to the engagement, including a summary of their qualifications. An affirmative statement should be included indicating the firm and all assigned key professional staff are properly licensed to practice in Maine and if current or pending disciplinary action has been taken by a State Board of Accountancy.
2. A list of local county and municipal government audits performed within the past ten years and two references which shall be local government officials.
3. The firm is required to submit a copy of the report on its most recent external quality control review, with a statement whether that peer review included a review of specific government engagements.
4. A brief description of the audit procedures to be followed, presented in a form that will aid in evaluating your firm's understanding of county governments and their financial challenges.
5. Your proposal must indicate the maximum total fee not to be exceeded by your firm for the requested services for each year of the proposal. Final payment shall become due only after the delivery of each required final report.

D. EVALUATION

Lincoln County shall evaluate the proposals on the basis of the qualifications, relevant experience and audit plan of the audit firms, as well as the estimated cost of the engagement.

As part of the review and evaluation process, Lincoln County may at its discretion request any or all bid submission agencies to make oral presentations. This will assist the County in the selection process.

The Lincoln County Commissioners retain the right to accept or reject any and all bids. Although a proposal has been solicited for three years, Lincoln County reserves the right to contract for each year separately.

Should the firm encounter circumstances requiring an increase in the extent of detailed investigation, or should the County require an increase in the scope of the audit, written notice to that effect may be given to the other party. The engagement may then be modified by mutual agreement of both parties as to additional work and compensation.

If the audit fails to substantially comply with the specifications contained in the Request for Proposals, then Lincoln County reserves the right to terminate the engagement after completion of any audit year upon written notice to the audit firm.

The audit and all final reports must be completed and submitted to the Lincoln County Commissioners on or before April 27th for the 2021 audit and on or before March 30th of each subsequent year the engagement is in place.

E. FURTHER INFORMATION

Contact Finance Director, Michelle Cearbaugh, at (207) 882-6311