



HIGH PLAINS LIBRARY DISTRICT  
FINANCE DEPARTMENT

2650 W. 29<sup>TH</sup> STREET  
GREELEY, COLORADO 80631

**REQUEST FOR PROPOSAL  
PROFESSIONAL AUDITING SERVICES**

JUNE 28, 2017

## INVITATION FOR PROPOSAL

The High Plains Library District (HPLD) is requesting proposals for Auditing Services for HPLD's financial statements for the fiscal year ending December 31, 2017, with the option of auditing the HPLD's financial statements for the four subsequent years.

An electronic copy mailed to [nwertz@highplains.us](mailto:nwertz@highplains.us) as well as an original will be received until 5:00 p.m. on August 15, 2017 at the District Administration Office, attention Finance Manager, 2650 W. 29<sup>th</sup> Street, Greeley, CO 80631. Any information received after the above time and day will not be considered for award purposes.

Any questions concerning the scope of the project and/or proposals submitted should be directed to the Finance Manager, Natalie Wertz, (970) 506-8566.

The HPLD reserves the right to reject any and all proposals, to waive any non-material irregularities of informalities in any Request for Proposal, and to accept or reject any item or combination of items, in selecting the proposal deemed most advantageous to the HPLD.

No proposals shall be handled so as to permit disclosure of the identity of any offeror or the contents of any proposal to competing offeror during the process of negotiation.

Natalie Wertz, CPA, CFE  
Finance Manager

## General Information

The High Plains Library District (HPLD) is a library district established through Colorado State Statute (C.R.S. 24-90-110) and governed by the Colorado Library Law, Article 90 of Title 24, Colorado Revised Statutes, as amended (the "Act"). The HPLD was established on September 11, 1985 by the Weld County Board of County Commissioners, the Town Boards of Ault, Eaton, and Hudson, the City Councils of Evans, Fort Lupton, and Greeley, and the Governing Board of Fort Lupton School District No. RE-8. On April 21, 2008 at a regular Board of Trustee meeting the Board of Trustees approved a name change from the Weld Library District to the High Plains Library District.

## Scope of Services

The HPLD is soliciting the services of qualified firms of certified public accountants to audit its financial statements for the fiscal year ending December 31, 2017, with the option to audit the District's financial statements for each of the four subsequent fiscal years. The HPLD desires the auditor to express an opinion on the fair presentation of its basic financial statements of the District's governmental activities and the major funds in conformity with generally accepted accounting principles. The auditor is not required to audit the statistical section of the report.

A five-year contract is contemplated, subject to the annual review and recommendation of the Finance Committee, the satisfactory negotiation of terms (including a price acceptable to both the HPLD and the selected firm), the concurrence of the Board of Trustees and the annual availability of an appropriation.

## Nature of Services Required

To meet the requirements of this request for proposal, the audit shall be performed in accordance with generally accepted auditing standards as set forth by the American Institute of Certified Public Accountants, the standards for financial audits set forth in the U.S. General Accounting Office's Government Auditing Standards.

The firm selected will be expected to provide consultation and assistance to the HPLD in preparation of its Comprehensive Annual Financial Report in accordance with the requirements by the Government Finance Officers Association for the Certificate of Achievement for Excellence in Financial Reporting.

All working papers and reports must be retained, at the auditor's expense, for a minimum of five (5) years, unless the firm is notified in writing by the HPLD of the need to extend the retention period. The auditor will be required to make working papers available, upon request to outside interested parties as identified by the HPLD.

In addition, the firm shall respond to the reasonable inquiries of successor auditors and allow successor auditors to review working papers related to matters of continuing accounting significance.

#### Description of the District

The auditor's principal contact with the District will be Natalie Wertz, Finance Manager, who will coordinate the assistance to be provided by the District to the auditor.

More detailed information can be found on the District website <http://www.MyLibrary.us>. Click on "About Us" at the bottom of the home page, then click on "District Publications" to view current Budget reports, Comprehensive Annual Financial Reports, and monthly financial reports.

#### Fund Structure

The District uses the following fund types:

<u>Fund Type</u>	<u>Individual Funds</u>	<u>Legally Adopted Annual Budgets</u>
General Fund	1	1
Debt Service Funds	1	1

#### Budgetary Basis of Accounting

The District prepares its budget on a basis consistent with accounting principles generally accepted in the United States for all governmental funds. The legal level of control is at the fund level. Budgets are prepared on a bi-annual basis.

#### Pension Plan

The HPLD pension plan is a single-employer, defined contribution retirement plan. The plan provides retirement and death benefits to plan members and beneficiaries. Participants are always 100% vested in their participant contributions and become fully vested in the employer contributions after 5 years of service.

#### Component Units

The Weld Library Finance Corporation was formed in 2001 for the purpose of purchasing, leasing, or otherwise acquiring certain real property and to construct or install certain improvement in the service area of the District. The Weld Library Finance Corporation is blended with the financial statements of the District.

#### Financial Operating system

The HPLD utilizes the Blackbaud Financial Edge software to process its financial

activity.

#### Availability of Prior Audit Reports and Working Reports

Interested proposers who wish to review prior years' audit reports and management letters should contact Natalie Wertz at (970) 506-8566. The District will use its best efforts to make prior audit reports and supporting working papers available to proposers to aid their response to this request for proposal.

#### Proposal Calendar

The following is a list of key dates up to and including the date proposals are due to be submitted:

Request for proposal issued	June 28, 2017
On-site inspection	As Arranged
Due date of proposal	August 15, 2017
Selected firm notified	August 31, 2017
Contract date	September 15, 2017

#### Format for Proposal

The firm should provide an affirmative statement that it is independent of the HPLD as defined by generally accepted auditing standards.

The firm should provide an affirmative statement that it is independent of the component unit of the HPLD as defined by those same standards.

An affirmative statement should be included indicating that the firm and all assigned key professional staff are properly licensed to practice in the state of Colorado.

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 staff to be employed in this engagement.

The firm is also required to submit a copy of the report on its most recent external quality control review, with a statement whether that quality control review included a review of specific government engagements.

The firm shall also provide information on the results of any federal or state desk reviews or field reviews of its audit during the past three (3) years. In addition, the firm shall provide information on the circumstances and status of any disciplinary action taken or pending against the firm during the past three (3) years with state regulatory bodies or professional organizations.

The firm should identify the primary contact person as well as the staff who will

be assigned to this engagement and indicate which individuals are licensed to practice as certified public accountants in the state of Colorado. The firm also should provide information on the government auditing experience of each person, including information on relevant continuing professional education for the past three (3) years and membership in professional organizations relevant to the performance of this audit.

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. The firm also should indicate how the quality of staff over the term of the agreement will be assured.

Engagement partners, managers, other supervisory staff and specialists may be changed if those personnel leave the firm, are promoted or are assigned to another office. These personnel may also be changed for other reasons with the express prior written permission of the HPLD. However, in either case, the HPLD retains the right to approve or reject replacements.

Other audit personnel may be changed at the discretion of the proposer provided that replacements have substantially the same or better qualifications or experience.

List the most significant engagements (maximum of five) performed in the past five (5) years that are similar to the engagement described in this request for proposal.

The proposal should set forth a work plan, including an explanation of the audit methodology to be followed, to perform the services required.

Progress payments will be made on the basis of hours of work completed, by each assigned staff member, during the course of the engagement and out-of-pocket expenses incurred in accordance with the firm's dollar cost bid proposal. Appendix A must be completed to determine the total cost of the engagement for Audit year 2017.

## EVALUATION PROCEDURES

### Finance Committee

Proposals submitted will be evaluated by the Board of Trustee's Finance committee, the Executive Director, and the Finance Manager. A point formula will be used during the review process to score proposals.

The following represent the principal selection criteria which will be considered during the evaluation process:

## Mandatory Elements

- a. The audit firm is independent and licensed to practice in the state of Colorado
- b. The audit firm's professional personnel have received adequate continuing professional education within the proceeding two (2) years
- c. The firm has no conflict of interest with regard to any other work performed by the firm for the HPLD
- d. The firm submits a copy of its most recent external quality control review report and the firm has a record of quality audit work
- e. The firm adheres to the instructions in this request for proposal on preparing and submitting the proposal

## Technical Qualifications

- a. Expertise and Experience
  - (1) The firm's past experience and performance on comparable engagements
  - (2) The quality of the firm's professional personnel to be assigned to the engagement and the quality of the firm's management support personnel to be available for technical consultation.

### ***COST WILL BE WEIGHTED AT 40% IN THE EVALUATION.***

During the evaluation process, the Evaluation Committee may, at their discretion request any one or all firms to make oral presentations. Such presentations will provide firms with an opportunity to answer any questions the Evaluation Committee may have on a firm's proposal.

The Board of Trustees will select a firm based upon the recommendation of the Finance Committee.

Submission of a proposal indicates acceptance by the firm of the conditions contained in this request for proposal unless clearly and specifically noted in the proposal submitted and confirmed in the contract between the HPLD and the firm selected.

The HPLD reserves the right without prejudice to reject any or all proposals.

APPENDIX A

SCHEDULE OF PROFESSIONAL FEES AND EXPENSES  
FOR THE AUDIT OF THE 2017 FINANCIAL STATEMENTS

	Hours	Standard Hourly Rates	Quoted Hourly Rates	Total
Partners	_____	\$_____	\$_____	\$_____
Managers	_____	_____	_____	_____
Supervisory Staff	_____	_____	_____	_____
Staff	_____	_____	_____	_____
Other (Specify):	_____	_____	_____	_____
Subtotal				\$_____
Other (Specify): _____				\$_____
Total all-inclusive maximum price for 2017 audit				\$_____

Note: The rate quoted should not be presented as a general percentage of the standard hourly rate or as a gross deduction from the total all-inclusive maximum price.