

**City of Midway
Request for Proposal
AUDITING SERVICES**

March 10, 2015

I. INTRODUCTION

A. General Information

The City of Midway is requesting proposals from qualified certified public accounting firms to audit its financial statements for the fiscal year ending December 31, 2014, with the option of auditing its financial statements for subsequent fiscal years for the purpose of expressing an opinion as to whether the financial statements present fairly, in all material respects, the financial position, changes in net assets, and cash flows of the City of Midway in conformity with U.S. generally accepted accounting principles.

There is no expressed or implied obligation for the City of Midway to reimburse responding firms for any expenses incurred in preparing proposals in response to this request.

During the evaluation process, the City of Midway reserves the right, where it may serve the City of Midway's interest, to request additional information or clarification from firms submitting proposals, or to make oral presentations as part of the evaluation process.

B. Term of Engagement

It is the intent of the City of Midway to contract for the services of an auditing firm to audit its financial statements for the fiscal year ending December 31, 2014. The City of Midway reserves the right to extend the term of this contract for one-year term subject to the satisfactory negotiation of terms, including a price acceptable to both the City of Midway and the selected firm.

II. NATURE OF SERVICES REQUIRED

A. Annual Audit

The City of Midway seeks to engage an accounting firm to conduct an audit of its statements of financial position and the related statement of activities, and cash flows for the year ended December 31, 2014.

The selected independent auditor will be required to perform the audit with the objective of expressing an opinion about whether our financial statements are fairly represented, in all material aspects, in conformity with U.S. generally accepted accounting principles.

As part of the engagement, the auditor will be required to present the financial statements to the Midway Mayor, Mayor Pro-tem, Financial Director, and if necessary, to the full Midway City Council.

The auditor will also be expected to communicate findings of any significant deficiencies and material weaknesses in internal controls in a management letter.

B. Auditing Standards to be Followed

To meet the requirements of this Request for Proposals, the audit shall be performed in accordance with generally accepted auditing standards in the United States of America. The audit will include examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements.

C. Working Paper Retention

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 City of Midway of the need to extend the retention period. The auditor will be required to make working papers available to the City of Midway upon request. 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.

D. Irregularities and Illegal Acts

Auditors shall be required to make an immediate, written report of all irregularities and illegal acts or indications of illegal acts of which they become aware to the following parties:

Dr. Clemontine F. Washington, Mayor
Richard Braun, City Attorney

III. DESCRIPTION OF City of Midway

A. Background Information

The City of Midway is a municipality recognized by the Internal Revenue Service as local Government, tax-exempt organization pursuant to section 501(c)(3) of the Internal Revenue Code. The City of Midway was incorporated in 1925.

The City has a December 31, 2014 fiscal year-end, with a requirement to file an audited financial statement with the State of Georgia Department of Audit by June 30th of each year.

B. Staff

The City of Midway employs a staff of 16 individuals.

C. Availability of Prior Reports

The audited financial statements for the most recent year and the relating management letter can be found on the City of Midway's website.

IV. TIME REQUIREMENTS

A. Proposal Calendar

The following is a list of projected key dates up to, and including, the dates audit is to be completed:

March 11, 2015	Request for proposal issued
March 20, 2015	Due date for proposals
March 23, 2015	Selection process
March 23, 2015	Contract Awarded
April 16, 2015	Field work
June 8, 2015	Final Draft report due
June 17, 2015	Final report due
June 22, 2015	Report presentation

B. Date Reports Are Due

The auditing firm should be available for any meetings that may be necessary to discuss the draft audit reports. Once the reports are completed, the audited financial statements and other reports shall be delivered to Gwendolyn Lowe by June 17, 2015.

V. ASSISTANCE TO BE PROVIDED TO THE AUDITING FIRM

A. Work Area

The finance director will be available during the audit to assist the firm by providing information, documentation, and explanations. The City of Midway will provide the auditor with reasonable workspace and equipment.

B. Report Preparation

Report preparation, editing, printing, and binding shall be the responsibility of the auditor.

VI. PROPOSAL REQUIREMENTS

A. General Requirements

General Requirements include the following:

1. Inquiries concerning the Request for Proposals must be made via email to Gwendolyn Lowe at glowe_midway@coastalnow.net
2. Submit two (2) copies of the proposal by mail to the attention of:
Gwendolyn Lowe, Finance Director
City of Midway
PO Box 125
Midway, Georgia 31320
3. The firm must be licensed to practice in the state of Georgia.
4. To qualify, the firm must have experience in audits of local governments.
5. The firm should state the size of the firm, the location of the office from which the work on this engagement is to be performed, and the number and title of the professional staff to be employed in this engagement.
6. Provide a list of not less than three client references for local government clients. For each reference listed, provide the name of the organization, address, and telephone number of the responsible person within the reference's organization. The City of Midway reserves the right to contact any or all of the listed references regarding the audit services performed by the auditing firm.
7. Identify the principal supervisory and management staff, including engagement partners, managers, other supervisors, and specialists who would be assigned to this engagement.
8. The proposal should set forth a work plan, including an explanation of the audit methodology to be followed, to perform the services required in this request for proposal.

B. Contents of Cost Proposal

1. The proposal should contain all pricing information relative to performing the audit engagement as described in this request for proposals. The total all-inclusive maximum price to be bid is to contain all direct costs. Indirect costs including all out-of-pocket expenses will be billed separately in accordance with the firm's proposal.
2. Retainer payment will be paid at the beginning of the engagement. Progress payments will be made on the basis of work completed during the course of the engagement.

VII. EVALUATION PROCEDURES

A. Review of Proposals

The Midway Mayor, City Council and Finance Director will evaluate submitted proposals.

B. Notification

All the participating firms will be notified, in writing, whether the firm was awarded the contract.

We appreciate the time and consideration given to this request for proposal for professional auditing services and believe this accurately summarizes the significant terms of the services requested.

Sincerely,

Clemontine F. Washington, Mayor