

**REQUEST FOR FINANCIAL
PROPOSAL AND COMPLIANCE AUDIT
CITY OF BELLE MEADE, TENNESSEE
November 11, 2024**

Purpose:

The City of Belle Meade (the "City") has issued this request for proposals to interested auditors, who are qualified under state law and regulations, for the performance of a financial and compliance audit for the City of Belle Meade in accordance with the requirements of the laws and/or requirements of the State of Tennessee. The audits shall be for the periods ending June 30, 2025, June 30, 2026, and June 30, 2027.

Scope:

The auditor shall perform a financial and compliance audit of the financial statements of all funds and grant contracts of the local government.

Type of Audit

The auditor shall conduct the audit in accordance with *Government Auditing Standards* and requirements prescribed by the Comptroller of the Treasury, State of Tennessee. If applicable, the audit should be conducted in accordance with the provisions of the Single Audit Act and Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and any applicable federal management circulars.

General Requirements

1. The auditor shall, as part of the written audit report, submit to the City's governing body a report containing an expression of an opinion that the financial statements are fairly presented, or an opinion qualified as to certain funds or items in the financial statements, a disclaimer of opinion and the reasons therefore, or an adverse opinion, and shall explain in every detail any unusual items of circumstances under which the auditor was unable to reach a conclusion. This report shall state that generally accepted government auditing standards have been followed in the audit.
2. The auditor's opinion shall be expressed on the opinion units identified in the AICPA Audit and Accounting Guide: *Audits of State and Local Governmental*, as well as the additional requirements in the State of Tennessee Department of Audit, *Audit Manual*.

3. The auditor shall furnish copies of the report to the governing body. The auditor shall file copies of said report with the Comptroller of the Treasury, and with the appropriate officials of the City's granting agencies.
4. If a management letter or any other reports or correspondence relating to findings of recommendations are issued in connection with this audit, a copy shall be filed with the Comptroller of the Treasury. Such management letters, reports, or correspondence shall be consistent with the findings published in the audit report (i.e., they shall disclose no matters not also required by GAS or the Comptroller's additional requirements to be disclosed in the findings found in the published audit report).
5. The audit reports shall be submitted prior to the first City Commission meeting in December of each year, but in no case later than six (6) months after the fiscal year end.
6. Pertinent data from the working papers shall be available for five years for reference if requested by the City.
7. Any reasonable suspicion of fraud, (regardless of materiality) or other unlawful acts including, but not limited to theft, forgery, credit/debit card fraud, or any other of unlawful taking, waste, or abuse of, or official misconduct, as defined in Tennessee Code Annotated, § 39-16-402 involving public money, property, or services shall, upon discovery, be promptly reported in writing by the auditor to the Comptroller of the Treasury, State of Tennessee, who shall under all circumstances have the authority, at the discretion of the Comptroller, to directly investigate such matters. Notwithstanding anything herein to the contrary, the Comptroller of the Treasury, State of Tennessee, acknowledges that the auditor's responsibility hereunder is to design its audit to obtain reasonable, but not absolute, assurance of detecting fraud that would have a material effect on the financial statements, as well as other illegal acts or violations of provisions of contracts or grant agreements having a direct and material effect on financial statement amounts. If the circumstances disclosed by the audit call for a more detailed investigation by the auditor than necessary under ordinary circumstances, the auditor shall inform the City's management and those in charge of governance of the need for such additional investigation and the additional compensation required therefor. Upon approval by the Comptroller of the Treasury, an amendment to this contract may be made by the City's management and those charged with governance and the auditor for such additional investigation.
8. An audit exit conference with management and those charged with governance will be conducted by the auditor in charge. At this time, the findings and recommendations regarding compliance and internal control shall be discussed. Management and those charged with governance shall have the opportunity to respond in writing to the findings. Responses shall be included in the audit report.

9. The records of the City will not be removed from City offices except with expressed written permission from the City.
10. The audit firm shall state its willingness to enter into a contract for three years, renewable annually for each of the next two years by the local government.
11. All adjusting entries will be submitted to the City in writing with sufficient explanation so that they can be easily understood and properly posted to the financial records. It is preferable to have these entries for City staff to review with the draft of financial statements.

General Information:

The City will provide a detailed trial balance of all transactions made to the general ledger system. The auditor will assist, as needed, with the necessary adjusting entries to enable the City to properly close the books. The auditor will assist, as needed, with the necessary adjustments needed to prepare the report to meet the reporting requirements for any applicable reporting standards. The auditor will prepare the annual financial statements, footnotes, and supplementary schedules of the City with assistance and oversight of City personnel. City personnel will draft the letter of transmittal (if any), organization chart, list of officials of the City, management's discussion, and analysis, and any statistical sections. The auditor will perform a detailed and final quality assurance review of the completed draft financial statements. The City will designate the Finance Director to oversee and approve all nonaudit services.

A copy of the previous year's audit report is available on our website at www.citybellemeade.org.

The City is the recipient of state and federal grants. The audit will meet all requirements for audit related to those grants.

Proposal Format:

The proposal shall be styled at the discretion of the submitter; however, at a minimum it must address these areas:

1. Nature and extent of the firm's governmental auditing experience.
2. A copy of the audit firm's most recent external quality control review report should be provided to the local government.

3. Organization size and structure of the firm.
4. Qualifications of staff to be assigned to the work. Education, position in firm, and years and types of experience will be considered.
5. Availability of the auditor to the City for specialized consultation and support assistance on sensitive or highly specialized issues.
6. Type and level of training provided to the firm's staff. Assurance that all audit staff assigned to the audit have obtained the necessary hours of continuing professional education required by *Government Auditing Standards*.
7. A list of references from other local government clients - at least three.
8. The audit fee must be quoted either as a fixed amount or rate per hour, with total estimated hours. If the latter method is used, a maximum amount must be stated for budgetary purposes. Also, estimated incidental expenses, such as travel and supplies, will need to be included. Pricing is only one of the factors upon which our decision will be based.
9. This contract shall be for three years, with the option by the City to renew annually. Therefore, audit fees for the two years succeeding the current year shall be quoted as in number 8 above.

Evaluation Criteria:

The City of Belle Meade will evaluate each firm's qualifications to ensure that the most qualified firm is selected, and the final award of the contract will be subject to negotiation of fair and reasonable compensation. Price will not be used as the sole nor primary selection factor but will be considered along with the qualifications package submitted.

The statement of qualifications must include names and qualifications of the team to be used on the project, substitutions must be approved in advance. The Statement of Qualifications should give a history and references in order to satisfy the City in regard to the firm's qualifications. The City may make reasonable investigations deemed necessary and proper to determine the ability of each firm to perform the work, and each firm shall furnish to the City all information for this purpose that may be requested. The City reserves the right to reject any offer if the evidence submitted by, or investigation of, the firm fails to satisfy that it is properly qualified to carry out the obligations as described within this RFQ.

Responses to this RFQ will be evaluated by a selection panel comprised of the City Manager, Finance Director and other parties not involved in making a proposal.

Criteria for evaluation will include (maximum 100 points):

- Up to 25 points – Proposal/Technical Approach
- Up to 25 points – Professional Qualifications and Staffing Plan
- Up to 25 points – Past Performance and References
- Up to 25 points – Proposed Schedule/Timeline

This solicitation is for financial and audit compliance services and will be a qualifications-

based procurement. Only after the evaluation committee has scored and recommended a top firm as the most qualified for this project, then, the price proposal with the top firm will be reviewed to ensure it is determined to be fair and reasonable compensation. All proposals submitted may be subject to clarifications and further negotiation. Final award of the contract will be subject to successful negotiation of fair and reasonable compensation.

Questions and Clarifications:

All questions regarding this Request for Qualifications (RFQ) shall be submitted via e-mail. Questions will be accepted and answered in accordance with the terms and conditions of this RFQ.

All questions must be submitted **on or before Friday, November 22, 2024, at 3:30 p.m.** and should be emailed to Leigh Mills at lmills@citybellemeade.org.

Should any prospective firm be in doubt as to the true meaning of any portion of this RFQ, or should the firm find any ambiguity, inconsistency, or omission therein, the firm shall make a written request for an official interpretation or correction by the due date above.

Submittal Information:

**Proposals shall be submitted no later than
Noon on Wednesday, December 04, 2024.**

The proposals must be mailed or delivered and will be opened and reviewed by the City Manager, Finance Director and, if deemed necessary, other parties not involved in making a proposal. The awarding of the audit contract will be made by the governing body on a date to be determined after the proposals have been reviewed by the Finance Director.

Each respondent must submit it in a sealed envelope:

- Five (5) original proposals
- One (1) digital copy of the proposal on a thumb drive, preferably in PDF format, or by e-mail to lmills@citybellemeade.org

On the outside of the mailing envelope, addressed to:

Leigh Mills, Finance Director
City of Belle Meade
4705 Harding Pike
Nashville, TN 37205

Reservation of Right:

The City of Belle Meade reserves the right to select or reject any firm that it deems to be in the best interest to accomplish the project specified. The City reserves the right to waive defects and informalities of the qualification statements.