
SAMPLE AUDIT REQUEST FOR PROPOSAL

5 Pages

<DATE>

<AUDITOR NAME>

<AUDITOR ADDRESS>

RE: Request for Proposals, Audit Services

Dear Auditor,

The <TOWN/CITY/VILLAGE> was awarded a Vermont Community Development Program (VCDP) grant on <DATE> in the amount of <\$ AMOUNT>. The VCDP grant funds are federal funds from the Community Development Block Grant States Program (Federal CFDA Number 14.228) passed through the Vermont Agency of Commerce and Community Development. The grant is administered by <IDENTIFY GRANT ADMINISTRATOR, THE GRANTEE OR HIRED ADMINISTRATOR>.

You are invited to submit a proposal for furnishing audit services for the <TOWN /CITY/ VILLAGE> according to the enclosed SCHEDULE OF WORK. An audit of the financial records and tests for internal control and compliance must be made in accordance with:

- 1) Audit requirements of the Vermont Community Development Program. (Please contact the Agency of Commerce and Community Development at 828-3211.)
- 2) Government Auditing Standards, by the Comptroller General of the United States, most recent revision. ("Yellow Book")
- 3) AICPA's Audits of State and Local Governmental Units.
- 4) Generally accepted government auditing standards required by OMB Circular No. A-133 pursuant to the Single Audit Act of 1984, P. L. 98-502, amended July 1, 1996.
- 5) Compliance Supplement for Single Audits of State and Local Governments.

Proposals must be submitted in duplicate and must include the SCHEDULE OF WORK (enclosed) and the technical proposal. The technical proposal should provide the following:

- 1) Information on the firm's background and experience auditing HUD-financed Community Development programs.
- 2) Information on the firm's background and experience in auditing programs financed by a federal, state or local government with special emphasis on single audit experience if this is a single audit engagement.

SAMPLE AUDIT REQUEST FOR PROPOSAL (continued)

- 3) Information on the size and organizational structure of your firm.
- 4) Resumes indicating the qualifications of the staff members to be assigned to this audit, indicating at a minimum, their position in the firm, total years with the firm, and experience. Please also include a description of the audit team makeup and the planned supervision.
- 5) A statement of your understanding of the work to be performed, including time and cost estimates to perform each step in the Audit Program.

Final selection will be made by <DATE> based on these factors and your proposed fee.

We would appreciate receiving your proposal no later than <DATE>. Mail to:

<ADDRESS>

If you have any questions concerning this request for proposal or about the Vermont Community Development Program funds, please contact <CONTACT NAME> at <PHONE NUMBER>. When submitting your proposal, be sure to include the name of the contact person at your firm.

This letter is not to be construed as a contract or commitment of any kind.

Sincerely,

<NAME>

Enclosure

SAMPLE AUDIT REQUEST FOR PROPOSAL (continued)

Schedule of Work

I General

The State of Vermont Agency of Commerce and Community Development awarded the <TOWN/CITY /VILLAGE> a <NAME OF GRANT TYPE> in the amount of \$ <AMOUNT> as grant<GRANT #>. The grant award was based on the <TOWN/CITY/VILLAGE> using the grant funds to <ADD BRIEF DESCRIPTION OF THE GRANT PURPOSE, ACTIVITIES, AND LOW/MOD BENEFITS.>

This grant <WILL/WILL NOT> generate program income for the <TOWN/CITY/VILLAGE.>

II Scope of Audit Services

<IF A LIMITED SCOPE AUDIT, USE THE PARAGRAPH BELOW>

The audit is a limited scope audit of VCDP funds only, and will cover the period from <DATE> to <DATE>. The VCDP financial records and books of account are maintained at <IDENTIFY THE LOCATION(S) OF THE RECORDS>. If an outside party was hired to administer the grant, be sure to identify the party and the address as the auditor will need to review records at both locations, the grantee's and the administrator's.>

<IF A SINGLE AUDIT, USE THE PARAGRAPH BELOW>

The audit is a single audit (A-133), and will cover the period from <DATE> to <DATE>. In addition to the VCDP grant funds, <LIST ANY OTHER FEDERAL FUNDS IN THIS PARAGRAPH> all municipal accounts will be audited. The municipal financial records and books of account are maintained at <IDENTIFY THE LOCATION(S) OF THE RECORDS>. The VCDP financial records are maintained at<IDENTIFY THE LOCATION(S) OF THE RECORDS>. If an outside party was hired to administer the grant, be sure to identify the party and the address as the auditor may need to review records at both locations, the grantee's and the administrator's.>

<IF A PROGRAM-SPECIFIC AUDIT, USE THE PARAGRAPH BELOW>

The audit is a program-specific audit under one program (Housing and Urban Development - HUD), and will cover the period from <DATE> to <DATE>. The VCDP financial records and books of account are maintained at <IDENTIFY THE LOCATION(S) OF THE RECORDS>. If an outside party was hired to administer the grant, be sure to identify the party and the address as the auditor will need to review records at both locations, the grantee's and the administrator's.>

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IMPORTANT NOTE WHEN PREPARING THE RFP

If the grantee provides \$300,000 or more of the federal financial assistance it received to a subrecipient during the grantee's fiscal year, the grantee must meet the requirements of the Single Audit Act by determining whether the subrecipient has complied with applicable laws and regulations. This can be accomplished by one of the following three methods:

- 1) Monitoring by grantee personnel;
- 2) Having a proper audit of subrecipient conducted under the requirements of OMB Circular A-133.
- 3) Extending the scope of the grantee's single audit to include the federal funds provided to the subrecipient.

If the third method is selected, be sure to clearly indicate so in this section of the SCHEDULE OF WORK.

III Contract Performance by Public Accounting Firms

The firm shall audit the accounts and records in strict accordance with the standards and guidelines identified in the cover letter.

IV Fee Schedule

The parties hereto agree that in consideration for performing the services herein, the <TOWN/CITY/VILLAGE> shall compensate the Firm in the amount of <\$AMOUNT> , which covers **all costs and expenses**. The fee is based on the following schedule:

1) Partner:	\$_____ /hr.:	Est. Person Hours _____	\$ _____
2) Manager:	\$_____ /hr.:	Est. Person Hours _____	\$ _____
3) Senior:	\$_____ /hr.:	Est. Person Hours _____	\$ _____
4) Staff:	\$_____ /hr.:	Est. Person Hours _____	\$ _____
5) Staff:	\$_____ /hr.:	Est. Person Hours _____	\$ _____
6) Clerical:	\$_____ /hr.:	Est. Person Hours _____	\$ _____
		Total	\$ _____

SAMPLE AUDIT REQUEST FOR PROPOSAL (continued)

V Payment

<COMPLETE THIS SECTION IN ACCORDANCE WITH THE TERMS UNDER WHICH THE GRANTEE WANTS TO PAY THE ACCOUNTANT. FOR SINGLE AUDIT REPORTS, REQUIRE ACCOUNTANT TO SUBMIT INVOICES TO GRANTEE THAT SPLITS OUT THE COST RELATED TO THE VCDP GRANT FUNDS FROM COSTS RELATED TO THE NON-VCDP FUNDS.>

VI Time of Performance

The services of the Firm are to commence as soon as possible after <DATE> in order to be completed no later than <DATE>.

VII Termination

The <TOWN/CITY/VILLAGE> reserves the right to terminate the services of the Firm by giving at least three (3) days written notice of the fact and time of such termination. In such event all finished or unfinished work prepared by the Firm shall become the property of the <TOWN/CITY/VILLAGE> and the Firm shall be entitled to compensation for satisfactory work under this agreement.

VIII Other

The Firm shall provide <NUMBER> copies of the audit report. <MUST DETERMINE NUMBER OF COPIES NEEDED BY THE VARIOUS FEDERAL AND STATE FUNDING SOURCES AS WELL AS WHO AT GRANTEE LEVEL WILL WANT A COPY>.