



*Request for Proposal to Provide  
Independent Audit Services for  
Wasatch Front Waste and  
Recycling District*

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**Issue Date: May 10, 2018**

**Submission Deadline: Tuesday, June 12, 2018**

Wasatch Front Waste and Recycling District  
Attn: Anthony Adams  
604 West 6960 South  
Midvale, Utah 84047



## **I. BACKGROUND INFORMATION**

Wasatch Front Waste and Recycling District (WFWRD), was established in 2013, and serves an area of approximately 250 square miles. The district is headquartered in Midvale Utah, about 12 miles from the State Capital in Salt Lake City, Utah.

Currently the District services about 81,270 homes; there are about 83,870 active accounts that are billed on a quarterly basis.

WFWRD's financials consist of one enterprise fund.

Total district-wide revenue was \$18,123,501 for the fiscal year ended December 31, 2017. WFWRD uses Caselle software for its accounting applications.

WFWRD is required by State law to provide an annual audit of its financial statements by a Certified Public Accountant in accordance with generally accepted auditing standards. This requirement includes: 1) a financial statement audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, 2) a State Compliance Audit in accordance with the *State Compliance Audit Guide* issued by the Office of the Utah State Auditor, and This audit must be submitted to the State Auditor's Office within six months after the end of the fiscal year.

## **II. OBJECTIVE AND SCOPE**

The purpose of this request for proposal (RFP) is to contract with a certified public accounting firm (Contractor) to provide financial audit services for the fiscal year ending December 31, 2018, with anticipated contract continuation for the succeeding two additional fiscal years.

### **A. AUDIT STANDARDS**

The auditor shall perform a financial audit and a state compliance audit for each fiscal year of the contract period in accordance with the following:

- Auditing standards generally accepted in the United States of America, as promulgated by the American Institute of Certified Public Accountants (AICPA);
- The *AICPA Audits of State and Local Governmental Units* audit and accounting guide;
- *Government Auditing Standards*, 2011 revision, published by the U.S. Government Accountability Office;
- For the state compliance audit – the *State Compliance Audit Guide*, issued by the Office of the Utah State Auditor;



## B. REPORT REQUIREMENTS

- Financial Report – Management prepares and prints the District's Comprehensive Annual Financial Report (CAFR) including all financial statements and combining and supplementary information. The auditor shall audit the CAFR and records of WFWRD District and shall issue an auditor's opinion on those financial statements.
- The Auditor will assist the District in reviewing the CAFR in preparation for submission to the GFOA (Government Finance Officers Association.) The District has received the Government Finance Officers Association's Certificate of Achievement for Excellence in Financial Reporting for the 2016 fiscal year and believes its fiscal year 2017 CAFR will also qualify for the award. Such financial statements shall be prepared in conformity with accounting principles generally accepted in the United States of America as promulgated by the GASB.
- Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters – The auditor shall issue a report on internal control over financial reporting and on compliance and other matters in accordance with *Government Auditing Standards*.
- Report Required for State Compliance Audit – The auditor shall prepare and include a statement expressing positive assurance of compliance with State fiscal laws and other financial issues related to the expenditure of funds received from federal, state, or local governments identified in the *State Compliance Audit Guide*, issued by the Office of the Utah State Auditor. This statement is in addition to the compliance opinion required as part of a single audit.
- Management Letter – If appropriate, the auditor shall prepare a comprehensive management letter including the auditor's findings and recommendations relative to the internal control over financial reporting, compliance with laws and regulations, as applicable, and adherence to generally accepted accounting principles.
- Reporting Deadlines – The audit must be completed and 20 physical copies with an electronic copy of each of the required auditor's reports must be coordinated and/or submitted to the District by April 15, 2019.

## III. AUDIT TERM

If the selected firm performs satisfactorily for the December 31, 2018 audit, it is anticipated that the same firm will be engaged to perform the audit for the succeeding two years through fiscal 2020, subject to an annual performance evaluation, District budget appropriations, and the needs of the District.

The District reserves the right to review the contract on a regular basis regarding performance and cost analysis and may negotiate price and service elements during the term of the contract.



#### **IV. SUBMISSION OF PROPOSALS**

NOTICE: By submitting a proposal in response to this RFP, the Bidder is acknowledging that the requirements, scope of work, and evaluation process outlined in this RFP are fair, equitable, not unduly restrictive, understood and accepted. Any exceptions to the content of the RFP must be protested to the District prior to the closing date and time for submission of the proposal.

Proposals must be received by the submission deadline of June 12, 2018 no later than 5:00 p.m. MDT. Proposals received after the deadline will be late and ineligible for consideration.

**The preferred method of submitting your proposal is electronically in PDF format to: [AAdams@wasatchfrontwaste.org](mailto:AAdams@wasatchfrontwaste.org).** However, if you choose to submit hard copies, three copies of your proposal must be submitted to Anthony Adams

WFWRD  
604 West 6960 South  
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The District reserves the right to reject any and all proposals submitted and to request additional information from all Bidders. The District also reserves the right to cancel the RFP and award at any time at its sole discretion. The District is not liable for any expense incurred by Bidder in preparing for and responding to this RFP.

#### **V. PROPOSAL QUALIFICATION REQUIREMENTS**

An interested certified public accounting firm (Bidder) must include the following information in its proposal to be considered to perform the audit for the fiscal year ending December 31, 2018.

##### **A. PROFILE OF THE BIDDER**

1. The organization and size of the Bidder, and whether it is local, regional, national or international in operations.
2. The location of the office from which the work is to be done and the number of professional staff, by staff level, employed at the office. Also describe the Bidder's policy on availability/responsiveness of staff and potential fees for questions between audit years.



3. A positive statement that the following mandatory criteria are satisfied:
  - (a) An affirmation that the Bidder is properly licensed for practice as a certified public accountant in the state of Utah.
  - (b) An affirmation that the Bidder meets the independence requirements of AICPA Rule 101 and the *Government Auditing Standards*.
  - (c) An affirmation that the Bidder meets the continuing education and external quality control review requirements contained in the current version of the *Government Auditing Standards*.
  - (d) An affirmation that the Bidder has not recently received a “fail” designation from a review performed by the Office of the Utah State Auditor.
4. Whether the Bidder, any principals or partners of the Bidder, or any affiliate to the Bidder is the focus of any pending or ongoing litigation, formal investigation, or administrative proceedings related to attestation services? If yes, please describe.
5. A copy of the Bidder’s most recent review letter issued by the Office of the Utah State Auditor. If the Bidder has never been reviewed by the Office of the Utah State Auditor, please so indicate.
6. A copy of the Bidder’s most recent peer review report.
7. A list of governmental clients.

**B. BIDDER’S QUALIFICATIONS**

1. Identify the audit partners, audit managers, field supervisors and other staff who will work on the audit, including staff from locations outside the local office. Include resumes which outline relevant experience and continuing education for the staff auditors up to the individual with final responsibility for the audit.
2. Describe a recent local office auditing experience similar to the type of audit requested.
3. The above information for any other firms and their employees that may participate in the audit.

**C. BIDDER’S APPROACH TO THE EXAMINATION**

Submit a general audit work plan to accomplish the scope defined in these guidelines. The audit work plan should demonstrate the Bidder's understanding of the audit requirements and



the audit tests and procedures to be applied in completing the audit plan. The plan should detail the expected number of audit hours for the financial audit and compliance audit separately on an annual basis for each fiscal year being audited. The plan should also identify the breakdown of total hours between staff, in-charges, and higher levels. The planned use of specialists, if any, should also be specified. Please base expected number of audit hours on previous experience similar to the type of audit requested.

The District has not traditionally received Federal funds to trigger a single audit.

The District encourages, but does not require, preliminary work such as documentation and testing of internal controls and systems, compliance testing

**D. TIME REQUIREMENTS**

Detail how the reporting deadline requirements of the audit will be met.

**E. FEES**

Supply the billing rates, estimated number of billable hours, other billable expenses and a comprehensive "not-to-exceed" fee for the audit, inclusive of travel, per diem and all other out-of-pocket expenses. As noted in Section III, it is expected that if the Contractor performs satisfactorily for the December 31, 2018 audit, it will be engaged to perform the audit for up to two additional years. Therefore, the not-to-exceed fee information requested above should be provided on an annual basis for fiscal years ending 2018 through 2020.. The District-option annual contract extensions will be negotiated before the start of each extension. Please provide a separate estimate for hours and fees for single audit services should those services be required.

**F. NON-DISCRIMINATION**

Affirm that the Bidder does not discriminate against any individual because of race, color, sex, age, religion, national origin, disability, pregnancy, familial status, veteran status, genetic information, sexual orientation, or gender identity, and that these are not factors in consideration for employment, selection of training, promotion, transfer, recruitment, rates of pay, or other forms of compensation, demotion, or separation.

**G. CONFLICT OF INTEREST**

Affirm that none of the Bidder's officers, employees, or immediate family members of its officers and employees is or has been an elected official, employee, board member, or commission member of WFWRD or its affiliates who influences the RFP, selection of a Bidder, or the subsequent written agreement. Each Bidder must also represent and warrant that it has not provided any compensation in any form, whether directly or indirectly, to an elected official, employee, board member, or commission member of WFWRD or its affiliates who influences the RFP, selection of a Bidder, or the subsequent written agreement.



## H. INSURANCE

The successful firm will be required to secure and maintain the following policies of insurance:

- Workers' compensation and employer's liability insurance as required by the State of Utah; unless a waiver of coverage is allowed and acquired pursuant to Utah law. This requirement includes offerors who are doing business as an individual and/or as a sole proprietor as well as corporations, limited liability companies, joint ventures and partnerships.
- Professional liability insurance with a minimum policy covering damages caused by an act, error, or omission or any negligent act within limits of not less than \$1,000,000 per occurrence and in the aggregate. (This District is not to be an additional insured for professional liability insurance.)

Any insurance coverage required herein that is written on a "claims made" form rather than on an "occurrence" form shall provide full prior acts coverage or have a retroactive date effective before the date of the contract between WFWRD and the successful firm, and be maintained for a period of at least 3 (three) years following the end of the term of the said contract or contain a comparable "extended discovery" clause. Evidence of current extended discover and the purchase options available upon policy terminating shall be provided to WFWRD.

All policies of insurance shall be issued by insurance companies licensed to do business in the State of Utah and either:

- Currently rated A- or better by A.M. Best Company; or
- Listed in the United States Treasury Department's current listing of Approved sureties (Department Circular 570) as amended.

The successful offeror shall furnish certificates of insurance, acceptable to WFWRD, verifying the foregoing matters concurrent with the execution of the contract with WFWRD and thereafter as required. In the event any work is subcontracted, the successful offeror shall require its subcontractor, at no cost to the District, to secure and maintain all minimum insurance coverages required of the successful offeror hereunder. In the event that governmental immunity limits are subsequently altered by legislation or judicial opinion, the successful offeror shall provide a new certificate of insurance within 30 (thirty) days after being notified thereof in writing by WFWRD, certifying coverage in compliance with the modified limits or, if no new limits are specified, in the amount acceptable to WFWRD. All required certificates and policies shall provide that coverage thereunder shall not be canceled or modified without providing at least 30 (thirty) days prior written notice to WFWRD. In the event the successful offeror fails to maintain and keep in force any insurance policy as required therein, WFWRD shall have the right, at its sole discretion, to obtain such coverage and reduce payments to said offeror for the costs of said insurance.



## **VI. CONTRACTUAL ARRANGEMENTS**

### **A. DOCUMENT RETENTION**

Workpapers and reports for the audit must be retained for a period of five years after the completion of the audit and made available for inspection by the District or government auditors, including the Office of the Utah State Auditor.

### **B. COMPENSATION FOR SERVICES**

Progress payments may be made during the audit period based on percent of work completed. Final payment for the audit will be made upon receipt of the audit reports required in Section II.

### **C. AVAILABILITY OF STAFF**

District staff will be available to prepare schedules, trial balances, and provide documentation to assist the auditor during the course of the audit. Various balance sheet reconciliations will be provided to the auditors at the start of audit fieldwork.

### **D. STATUS VERIFICATION**

Under the Utah Immigration Accountability and Enforcement Act (UCA 63G-12-101 et seq.), any entity contracting with a public employer is required to participate in Utah's Status Verification System. The awarded Bidder will be required to certify that it participates in the Status Verification System and complies with the Act.

### **E. CONFIDENTIALITY**

The Bidder must be willing to guarantee the confidentiality of all files, emails, documents, and other information that are obtained or accessed in execution of the audit unless it has received prior written authorization from the District. The Bidder must also be willing to use reasonable precautions and processes to prevent unauthorized access, use, or disclosure of any file, email, document, or other information.

### **F. WRITTEN AGREEMENT**

By submitting a proposal to the RFP, the Bidder signifies that it is willing and able to enter into a written agreement with the District to fulfill each of the terms found in the RFP.





## VII. EVALUATION OF PROPOSALS

The following criteria will be considered when making an evaluation of the proposals, each having a scoring weight of 25%:

### A. EXPERIENCE WITH SIMILAR SIZED ENTITIES (25% SCORING WEIGHT)

Responsiveness of the proposal in clearly stating an understanding of the audit services to be performed.

1. Please provide names and references of audits performed on similar-sized entities.
2. Reasonableness of time estimates, timing of audit, and total audit hours.
3. Appropriateness of plan to meet stated deadlines.
4. Appropriateness of assigned staff levels, including proposed fieldwork hours of managers and partners. Availability and responsiveness of audit staff.

### B. TECHNICAL EXPERIENCE OF THE FIRM (20% SCORING WEIGHT)

1. Governmental audit experience, including number and size of past and current governmental clients.
2. Size and structure of the firm.
3. Results of most recent peer review and review from the Office of the Utah State Auditor if applicable.

### C. QUALIFICATIONS COMPETENCE AND RECOMMENDATIONS OF STAFF AND COMPANY PROPOSED TO PERFORM THE AUDIT (25% SCORING WEIGHT)

1. Years of government auditing experience (with specific emphasis on governmental clients).
2. Knowledge of GASB standards and CAFR reporting requirements.
3. Client references.

### D. COST OF THE AUDIT (30% SCORING WEIGHT)



## LOWEST RESPONSIVE RESPONSIBLE BIDDER

WFWRD will use the criteria above to evaluate all proposals and, if necessary, hold oral interviews to identify the lowest responsive responsible bidder. Upon identifying the lowest responsive responsible bidder, WFWRD may award a contract under this RFP to the identified Bidder.

## **VIII. SOURCES OF INFORMATION**

The individual listed below may be contacted for information. However, before making contact we request you review the District's prior year financial statements and auditor's reports which can be found on the Office of the Utah State Auditor's website at: <https://reporting.auditor.utah.gov/servlet/servlet.FileDownload?file=01541000002uTRpAAM>

Cathy Jensen, Controller  
[catjensen@wasatchfrontwaste.org](mailto:catjensen@wasatchfrontwaste.org)  
385.468.6346



**CERTIFICATE OF NON-COLLUSION**  
**Wasatch Front Waste and Recycling District**  
**Audit Services**

**AFFIDAVIT**

The undersigned, being of lawful age; and being duly sworn, deposes and says:

That as a condition precedent to the award of the Wasatch Front Waste and Recycling District project as above captioned,

I, \_\_\_\_\_, of  
Name

\_\_\_\_\_ do solemnly  
Firm

swear that neither I, nor to the best of my knowledge, any member or members of my firm or company that I represent have, either directly or indirectly, restrained free and competitive professional selection on this project by entering into any agreement, participating in any collusion, or otherwise taking any action not authorized by Wasatch Front Waste and Recycling District with regard to this RFP.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

Subscribed and sworn before me this \_\_\_\_\_ day of \_\_\_\_\_,

20\_\_.

My commission expires:

Residing at:

By \_\_\_\_\_  
Notary Public



**COST PROPOSAL**  
**Wasatch Front Waste and Recycling District**  
**Audit Services**

Firm:

Address:

Phone:

Date:

Dear Wasatch Front Waste and Recycling District

The Firm shall furnish all labor, materials, equipment, tools, transportation and supplies required to complete the work in accordance with the specifications, requirements and terms of the RFP.

The undersigned, after having personally and carefully examined the Request for Proposals and other documents detailing the specifications as detailed, declare that the undersigned is recognized as being qualified and competent to perform the work and hereby submits a Proposal of:

\$ \_\_\_\_\_

\_\_\_\_\_

As the professional fee, for completing all work related and covered herein including, but not limited to charges and costs related to personnel, materials, equipment, office space, overhead, profit, contingencies, and any and every other cost item.

Please identify in a separate attachment to this Cost Proposal form the hourly rate(s) or any other costs associated with this proposal.



## PROPOSAL EVALUATION SHEET FOR AUDIT SERVICES

**Subject: Wasatch Front  
Waste and Recycling  
District Service  
Audit Services**

Firm Making the Proposal: \_\_\_\_\_

Criteria	1	2	3	4	5	Pts.	Total	Comments:
1. Cost [Including warranties and options] (maximum 30 points)						X 6		The proposal having the lowest cost will receive the maximum number of points (5 )The next lowest cost proposal will receive (4) points; The third lowest cost proposal will receive 3 points; the fourth lowest cost proposal will receive 2 points; the fifth lowest cost proposal will receive 1 points; and all other proposals will receive zero points under the cost criteria. Awarded points will be multiplied by (6) to get a final point value.
2. Qualifications, Competence and References (maximum 25 points)						X 5		
3. Experience with Similar Sized Entities (maximum 25 points)						X5		
4. Technical Expertise of the Firm (maximum 20 points)						X 4		
<b>Total:</b>								

Additional  
Comments: