

TOWN OF PRESTON

REQUEST FOR PROPOSALS

AUDIT SERVICES – TOWN-WIDE

Preston, Connecticut

February 27, 2019

The Town of Preston, Connecticut is requesting proposals from qualified certified public accounting firms, in accordance with the provisions of the Connecticut General Statutes, to conduct an examination and to render an opinion on the comprehensive annual financial statements of the Town of Preston. Proposals will be received at the First Selectman's Office, 389 Route 2, Preston, CT 06365 until 2:00 pm on Wednesday, March 27, 2019 at which time no further proposals will be considered. The Request for Proposal documents can be viewed/downloaded from the Town of Preston website at <http://www.preston-ct.org> or may be obtained from John Spang, Finance Director, at spangj@prestonschools.org or at 860-889-6098 ext. 1423. The Town of Preston is an Equal Opportunity Employer.

Town of Preston, CT Request for Proposals – Audit Services

I. INTRODUCTION

A. General Information

The Town of Preston (the Town) is requesting proposals from qualified firms of certified public accountants to audit its financial statements for the three (3) fiscal years ending June 30, 2019, 2020, and 2021, with the option of auditing its financial statements for each of the two (2) subsequent fiscal years. These audits are to be performed in accordance with generally accepted auditing standards; the standards set forth for financial audits in the General Accounting Office's (GAO) *Government Auditing Standards*; the provisions of the Federal Single Audit Act of 1984, as amended in 1996; the provisions of U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments and Non-profit Organizations*; and the provisions of Sections 4-230 through 4-236 of the Connecticut General Statutes concerning the *State Single Audit Act*.

The auditor(s) shall state that the primary purpose of the audit is to express an opinion on the general purpose financial statements taken as a whole and that the audit is subject to the inherent risk that errors or irregularities may occur and not be detected.

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

To be considered, an original and three (3) copies of a proposal must be received by the Town of Preston, First Selectman's Office, 389 Route 2, Preston, CT 06365 by **2:00 pm on Wednesday, March 27, 2019**.

The Town of Preston reserves the right to reject any or all proposals submitted.

Proposals submitted will be opened on March 27, 2019 at 2:00 p.m. and subsequently evaluated by the Board of Finance.

During the evaluation process, the Board of Finance and the Town of Preston reserve the right, where it may serve the Town of Preston's best interest, to request additional information or clarifications from proposers, or to allow corrections of errors or omissions. At the discretion of the Town of Preston or the Board of Finance, firms submitting proposals may be requested to make oral presentations as part of the evaluation process.

The Town of Preston reserves the right to retain all proposals submitted and to use any ideas in a proposal regardless of whether that proposal is selected. Submission of a proposal indicates acceptance by the firm of the conditions contained in this Request for Proposals, unless clearly and specifically noted in the proposal submitted and confirmed in the contract between the Town of Preston and the firm selected.

It is anticipated that the selection of a firm will be completed no later than April 24, 2019. Following notification of the selected firm, it is expected that an engagement letter will be executed between both parties within thirty (30) days of approval.

B. Term of Engagement

1. **Contract Period** -- The agreement shall be for a three (3) year period and shall become effective immediately upon execution by all parties with implementation of all specified services to take place for the audit of fiscal years ending June 30, 2019 through June 30, 2021. The agreement may be extended at the discretion of the Board of Finance for an additional two (2) years.
2. **Compensation** – Compensation for services shall be at a fixed price for each year of the three-year term of the agreement. Upon request, the firm will provide the Town with a statement of chargeable hours to substantiate billings. Any optional extensions shall be performed at prices to be negotiated before the option is exercised.
3. **Termination of Contract** – Following implementation, should the Finance Director find that the firm has failed in any material respect to perform its obligations under the agreement, the Board of Finance, upon recommendation of the Finance Director, may cancel the agreement. The firm shall be liable for damages from such breach including reasonably foreseeable incidental and consequential damages. Should the Town find that the provision of auditing services under the terms of the agreement precludes the Town from administering its duties in an effective and efficient manner; the Board of Finance may cancel the agreement upon 180 days written notice to the firm. In such event the Town shall compensate the firm at the pro rata hourly rate for services performed through the effective date of the cancellation, which shall be in full and complete satisfaction of the firm's claims. The firm shall promptly return all work papers and work in progress to the Town. The firm shall provide the Town at least 180 days prior written notice of its intent to terminate any agreement.

II. DESCRIPTION OF THE GOVERNMENT

A. Background Information

The Town operates under a Selectmen/Town Meeting form of government. Connecticut General Statutes (CGS) and Town Ordinances govern the operation of the Town.

The Town of Preston serves an area of 31.3 square miles and has a population of approximately 5,000. The fiscal year begins on July 1st and ends on June 30th.

More detailed information on the town, government, and its finances can be found on the Town of Preston's website: www.preston-ct.org.

Detailed information on Town Government and its finances can be found in the following documents, which are available on the Town of Preston's website: www.preston-ct.org under Board of Finance.

1. Budget for Fiscal Year 2019 - Adopted
2. Audit Report for Fiscal Year 2018
3. Debt Service Forecast

III. ASSISTANCE TO BE PROVIDED TO THE AUDITOR

A. Town Contact Person

The auditor's principal contact with the Town of Preston will be the Finance Director, John Spang, who will coordinate the assistance to be provided by the Town of Preston to the audit firm.

B. Town Provided Statements and Schedules

The staff of the Town of Preston will prepare or provide the following statements and schedules for the audit firm:

- Adjusted trial balance for all funds
- Detailed schedules of revenues and expenditures, expenses, accounts payable and receivable, and encumbrances
- Detail of other balance sheets and subsidiary account activities
- Check registers for all funds
- Bank reconciliations for all accounts
- Detail of capital projects expenditures
- Analysis of other accounts as requested
- Investment activity schedules
- Debt schedules
- Fixed assets schedules
- Payroll records
- Tax collection schedules
- Schedule of compensated absences
- Latest actuarial reports
- Completed EFS form and supporting documents
- Individual fund statements for all funds
- Notes to the combined financial statements
- Required supplementary information
- Schedule of federal and state assistance

C. Town Provided Workspace

Workspace will be provided in close proximity to the financial records. Telephones and use of a copy machine will be made available as well as Internet access during the engagement. The auditor will be required to provide computer equipment and other office equipment/materials as needed.

IV. NATURE OF SERVICES REQUIRED

A. General

The Town of Preston is soliciting the services of qualified firms of certified public accountants to audit its financial statements for the fiscal years ending June 30, 2019, 2020, and 2021 with an option to extend the engagement at the discretion of the Board of Finance for an additional two years. These audits are to be performed in accordance with the provisions contained in this Request for Proposals.

B. Qualifying Requirements

1. **Qualified Firm:** Firms submitting proposals must be qualified to perform independent audits of municipalities in the State of Connecticut. The firm must have been engaged during the fiscal year ending June 30, 2018 as independent auditors for the purpose of rendering an opinion on the annual financial statements of a Connecticut municipality.
2. **Location:** The auditor must have an office located within the State of Connecticut and resident staff must be able to offer the full range of auditing services required by this Request for Proposals.
3. **Non-Discrimination:** No person shall be denied or subjected to discrimination on account of any services or activities made possible by or resulting from this agreement on the grounds of sex, race, color, creed, national origin, age (except minimum age and retirement provision), marital status or the presence of any sensory, mental or physical handicap. Any violation of this provision shall be considered a violation of a material provision of this agreement and shall be grounds for cancellation, termination or suspension in whole or in part of the agreement by the Town of Preston and may result in ineligibility for further Town of Preston contracts. The proposer shall at all times in the proposal and contract process comply with all applicable Town of Preston, state, and federal anti-discrimination laws, rules, regulations and requirements thereof.
4. **Reports:** Each proposer shall submit two recent samples of municipal engagement audit reports by Connecticut municipalities similar to Preston in which their opinion is contained.

5. **Municipal Clients:** List current Connecticut municipal clients. Note those municipal clients similar to Preston. Also, list the Connecticut clients lost and gained during the period of July 1, 2015 through June 20, 2018.
6. **Other:** Supervisory members of the audit team, including the "in charge" field auditor, should be Certified Public Accountants and have a minimum of three (3) years of municipal audit experience in the State of Connecticut. The Board of Finance intends to strongly consider municipal audit experience and certification in evaluating the proposer's audit team. It is the Town's desire to maintain a consistently qualified team during the term of the engagement.

C. Scope of Work to be Performed

The Town of Preston desires the auditor to express an opinion on the fair presentation of its basic financial statements in conformity with generally accepted accounting standards as set forth by the American Institute of Certified Public Accountants; the standards for financial audits set forth in the U.S. Comptroller General's *Government Auditing Standards*; the provisions of the Federal Single Audit Act of 1984, as amended in 1996; the provisions of U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments and Non-profit Organizations*; and in conjunction and conformity with sections 4-230 through 4-236 of Connecticut General Statutes (Connecticut Single Audit Act) when applicable.

D. Reports to be Issued

Following the completion of the audit of the fiscal year's financial statements, the auditor shall issue, in compliance with the Office of Policy and Management requirements and as required by generally accepted auditing standards, *Government Auditing Standards*, OMB Circular A-133, and the Connecticut General Statutes, including but not limited to the following:

1. Town Financial Statements with Supplemental Statements/Schedules and Auditor's Report
2. State Single Audit
3. Federal Single Audit (when applicable)

The auditor shall submit a draft of the Management Letter to the Director of Finance and First Selectman for the Board of Education and Board of Finance in advance of its final publication. These Town officials shall have the opportunity to respond to or otherwise comment on the draft before it is published in its final format after meeting with necessary personnel to discuss in draft form. The auditor shall communicate in a letter to the Board of Finance any findings regarding significant deficiencies, material weaknesses or reportable and material noncompliance found during the audit. Such findings shall have the same definition as defined under *Government Auditing Standards*.

E. Working Paper Retention and Access to Working Papers

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 Town of Preston of the need to extend the retention period. The auditor will be required to make working papers available, upon request by the Town of Preston.

In accordance with the requirements of *Government Auditing Standards* and of the Federal and State Single Audit Act, the auditor is required to provide access to the working papers and photocopies thereof to a federal agency, state agency, or the Comptroller General of the United States upon their request for their regulatory oversight purposes. If such a request is made, the auditor will inform the Finance Director prior to providing such access.

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

F. Other Audit Services

Periodically the Town of Preston may request to have separate audits performed. The auditor will be expected to perform these audits and any other audit services requested by the Town of Preston outside of the standard audit at the hourly rate stated in Appendix A.

G. Implied Requirements

All services not specifically mentioned in this Request for Proposals that are necessary to provide the functional capabilities described by the auditor shall be included in the Scope of Services.

H. Report Submissions

Copies of all reports shall be addressed to the Board of Finance. The successful proposer will also submit copies of reports as required by state and federal audit requirements.

The submission date for the various reports to the municipality and the appropriate cognizant agencies is December 31st.

The final report shall be submitted by February 28th with five (5) copies and an electronic copy delivered to the Board of Finance.

Where an extension of time may be required, it will be the responsibility of the Auditor to promptly notify the First Selectman, in writing. It is the Town's responsibility to secure all necessary approvals in a timely manner. The Auditor shall promptly notify the Board of Finance of any suspicion of fraud, defalcation or misappropriation of funds. Such notice shall be in addition to any notice to grantors required by single audit legislation.

V. PROPOSAL REQUIREMENTS

A. General Requirements

1. Inquiries

Inquiries concerning the Request for Proposals can be made to John Spang, Finance Director, at spangj@prestonschools.org.

2. Submission of Proposals

The following material is required to be received no later than 2:00 p.m. on March 27, 2019 for a proposing firm to be considered:

1) The Proposal, which is to include the following:

a) Title Page

The title page shall show the Request for Proposal's subject; the firm's name; the name, address and telephone number of a contact person; and the date of the proposal.

b) Table of Contents

c) Transmittal Letter

A signed letter briefly stating the proposer's understanding of the work to be done, the commitment to perform the work within the time period, a statement as to why the firm believes itself to be best qualified to perform the engagement, and a statement that the proposal is a firm and irrevocable offer for the period covered.

d) Detailed Proposal

The detailed proposal should follow the order set forth in Section V-B of this Request for Proposals.

e) Dollar Cost Proposal (Appendix A)

f) Proposer Guarantees and Proposer Warranties (Appendix B)

g) Insurance Statement (Appendix C)

h) Audit Services Proposal Letter (Appendix D)

2) Proposers shall submit an original and three (3) copies of the completed proposal in a sealed envelope to the following address:

Board of Finance
Town of Preston
389 Route 2
Preston, Connecticut 06365

The envelope shall be clearly marked as follows:

Proposal for Audit Services

B. Technical Proposal

1. General Requirements

The purpose of the Technical Proposal is to demonstrate the qualifications, competence and capacity of the firm seeking to undertake an independent audit of the Town of Preston in conformity with the requirements of this Request for Proposals. As such, the substance of proposals will carry more weight than their form or manner of presentation. The Technical Proposal should demonstrate the qualifications of the firm and of the particular staff to be assigned to this engagement. It also should specify an audit approach that will meet the Request for Proposals requirements.

The Technical Proposal should address all the points outlined in the Request for Proposals (excluding any cost information, which should be included only in Appendix A). The Proposal should provide a straightforward, concise description of the proposer's capabilities to satisfy the requirements of the Request for Proposals.

While additional items may be presented, the following subjects, item numbers 2 through 8, must be included. They represent the criteria against which the proposal will be evaluated.

2. Independence

The firm should provide an affirmative statement that it is independent of the Town of Preston as defined by generally accepted accounting standards and the U.S. Comptroller General's *Government Auditing Standards*.

The firm also should list and describe the firm's professional relationships involving the Town of Preston or any of its agencies for the past five (5) years, together with a statement explaining why such relationships do not constitute a conflict of interest relative to performing the proposed audit.

In addition, the firm shall give the Town of Preston written notice of any professional relationships entered into during the period of this agreement.

3. License to Practice in Connecticut

An affirmative statement should be included indicating that the firm and all key professional staff are properly qualified to practice in Connecticut.

4. Firm Qualifications and Experience

The proposer 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 professional staff to be employed in this engagement.

The firm shall provide a copy of the firm's most recent external quality control review, with a statement as to whether the quality control review included specific government engagements.

The firm also shall provide information on results of any federal or state desk reviews or field reviews of its audits during the last 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.

5. Partner, Supervisory and Staff Qualifications and Experience

The firm should identify the principal supervisory and management staff, including engagement partners, managers, other supervisors and specialists, who would be assigned to the engagement. Indicate whether each such person is licensed to practice as a certified public accountant in Connecticut. Provide information on the government auditing experience of each person, including information on relevant continuing education for the past three (3) years and membership in professional organizations relevant to the performance of this audit. Indicate how the quality of the 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. Personnel also may be changed for other reasons with the express prior written permission of the Town of Preston. Should it be determined that the assigned audit staff is not in the best interest of the Town, the Town may request a replacement. Replacement personnel must have the same or greater level of municipal audit experience as the originally proposed staff. The Town of Preston 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.

6. Similar Engagements with Other Government Entities

For the firm's office that will be assigned responsibility for the audit, list the most significant engagements (maximum of 5) performed in the last five years that are similar to the Town of Preston. These engagements should be ranked on the basis of total staff hours. Indicate the scope of work, date, engagement partners, total hours, and the name and telephone number of the principal client contact. In addition, list all current municipal clients in the State of Connecticut. Also, list the Connecticut

clients lost and gained during the period of July 1, 2015 through June 20, 2018.

7. Audit Approach

The proposal should set forth a work plan, including an explanation of the audit methodology to be followed in order to perform the services required in Section IV of this Request for Proposals. In developing the work plan, reference should be made to such sources of information as the Town of Preston's budget and related materials, organizational charts, manuals and programs, and financial and other management information systems.

8. Report Format

The proposal should include two recent samples of municipal engagement audit reports by Connecticut municipalities similar to Preston in which their opinion is contained.

9. Insurance Requirements

The firm shall maintain insurance against claims for injuries to persons or damages to property that may arise from, or be in connection with, the performance of the work hereunder by the firm, his agents, representatives, or employees for the duration of the contract as follows:

- 1) Broad Form Comprehensive General Liability
 - \$1,000,000 per occurrence
 - \$2,000,000 total liability
- 2) Automobile Liability
 - \$1,000,000
- 3) Umbrella Liability
 - \$1,000,000
- 4) Workers' Compensation
 - Limits as required by State of Connecticut
- 5) Employer's Liability
 - \$500,000
- 6) Professional Liability
 - \$1,000,000
- 7) Personal Property Coverage
 - Adequate to cover the value of personal property

The Auditor shall furnish certificates as evidence of such coverage naming the Town of Preston and Preston Board of Education as additionally insured using the ACCORD form. These certificates are to be received and approved by the First Selectman before work commences. Renewal of expiring certificates shall be filed

thirty-days prior to expiration. The Town of Preston reserves the right to require complete, certified copies of all required policies, at any time.

C. Dollar Cost Proposal for Audit Services

1. Total All-Inclusive Maximum Price

The dollar cost proposal should contain all pricing information relative to performing the audit engagement as described in this Request for Proposals.

The Town of Preston will not be responsible for expenses incurred in preparing and submitting the technical proposal or the dollar cost proposal. Such costs should not be included in the proposal.

2. Fixed Fees by Category

The dollar cost proposal should include a schedule of professional fees and expenses, presented in the format provided in the attachment (Appendix A), that supports the all-inclusive price.

3. Rates for Additional Professional Services

If it should become necessary for the Town of Preston to request the auditor to render any additional services not requested in this Request for Proposals or to perform additional work as a result of the specific recommendations included in any report issued on this engagement, then such additional work shall be performed only if set forth in an addendum to the contract between the Town of Preston and the firm. Any such additional work agreed upon between the Town of Preston and the firm shall be performed at the same rates set forth in the schedule of fees and expenses included in the dollar cost proposal in Appendix A.

VI. EVALUATION PROCEDURES OF PROPOSALS

A. Evaluation Criteria

The following represent the principal selection criteria that will be considered during the evaluation process of proposals.

1. Mandatory Elements

- a. The audit firm is independent and licensed to practice in Connecticut.
- b. The audit firm's professional personnel have government auditing experience and have received continuing professional education in the past three (3) years.

- c. The firm has no conflict of interest with regard to any other work performed by the firm for the Town of Preston.
- 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 Proposals on preparing and submitting the proposal.
- f. The firm submits at least two recent samples of municipal engagement audit reports by Connecticut municipalities similar to Preston in which their opinion is contained.

2. Technical Qualifications

a. Expertise and Experience

- i. The firm's past experience and performance on comparable government engagements
- ii. The quality of the firm's professional personnel to be assigned to the engagement and the quality of the firm's management support personnel available for technical consultation
- iii. Experience with the preparation of Federal and State financial assistance and related reports

b. Audit Approach

i. Service Delivery Plan

- 1. How will the firm conduct the audit the first year versus subsequent years?
- 2. Description of Service: what will be done, by whom, how, and where?
- 3. What are the staffing requirements?
- 4. How will services be coordinated, monitored, and reported through entrance conferences, progress reporting, and exit conferences?

c. All-Inclusive Price

Cost, although a factor, will not be the sole primary factor in the selection of an audit firm.

B. Oral Presentations

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

C. Final Selection

It is anticipated that the Board of Finance will approve a firm by April 24, 2019. Following notification of the firm selected, it is expected that a contract will be executed between both parties within thirty (30) days.

D. Right to Reject Proposals

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

The Town of Preston reserves the right without prejudice to reject any or all proposals or parts thereof for any reason, to negotiate changes to proposal terms and to waive minor inconsistencies with the Request for Proposals.

APPENDIX A
DOLLAR COST PROPOSAL FOR AUDIT SERVICES

ALL-INCLUSIVE FEES

	Year 1 (FY19)	Year 2 (FY20)	Year 3 (FY21)	Year 4 (FY22)*	Year 5 (FY23)*
Town					
General Audit					
State Single Audit					
Federal Single Audit					
<i>Subtotal Town</i>					

Board of Education					
General Audit					
State Single Audit					
Federal Single Audit					
EFS Form					
<i>Subtotal BoE</i>					

TOTAL					
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Hourly rate for additional services					
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Number of Staff Assigned to Preston		
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Name of Firm

Location of Office staffing the audit

APPENDIX B
PROPOSER GUARANTEES AND PROPOSER WARRANTIES

Proposer Guarantees

1. The proposer certifies it can and will provide and make available, at a minimum, all services set forth in Section IV, Nature of Services Required.

Proposer Warranties

1. Proposer warrants that it is willing and able to comply with State of Connecticut laws with respect to foreign (non-state of Connecticut) corporations.
2. Proposer warrants that it is willing and able to obtain an errors and omissions insurance policy providing a prudent amount of coverage for the willful or negligent acts, or omissions of any officers, employees or agents thereof.
3. Proposer warrants that it will not delegate or subcontract its responsibilities under an agreement without the express prior written permission of the Town of Preston.
4. Proposer warrants that all information provided by it in connection with this proposal is true and accurate.

Firm

Name (typed)

Title

Authorized Signature

Date

**APPENDIX C
INSURANCE STATEMENT**

The professional individual or firm shall maintain insurance against claims for injuries to persons or damages to property which may arise from, or be in connection with, the performance of the work hereunder by the individual or the firm, his agents, representatives, or employees for the duration of the contract.

A. Minimum Scope and Limits of Insurance:

The insurance required shall be written for not less than the scope and limits of insurance specified in this exhibit, or required by applicable federal, state and/or municipal law, regulation or requirement, whichever coverage is greater. It is agreed that the scope and limits of insurance coverage specified in this exhibit are minimum requirements and shall in no way limit or exclude the Town from additional limits and coverage provided under the auditing firm's policies.

- 1) Broad Form Comprehensive General Liability
 - \$1,000,000 per occurrence
 - \$2,000,000 total liability
- 2) Automobile Liability
 - \$1,000,000
- 3) Umbrella Liability
 - \$1,000,000
- 4) Workers' Compensation
 - Limits as required by State of Connecticut
- 5) Employer's Liability
 - \$500,000
- 6) Professional Liability
 - \$1,000,000
- 7) Personal Property Coverage
 - Adequate to cover the value of personal property

B. Acceptability of Insurers:

The auditing firm's insurance policies shall be written by insurance companies licensed to do business in the State of Connecticut.

C. Waiver of Subrogation:

The auditing firm shall provide that all insurance policies include a waiver of subrogation clause

that states that it is agreed that in no event shall the insurance company have any right of recovery against the Town. When the auditor is self-insured, it is agreed that in no event shall the auditor have any right of recovery against the Town.

D. Notice of Cancellation or Nonrenewal:

Each insurance policy required by this exhibit shall be endorsed to state that coverage shall not be suspended, voided, cancelled, or reduced in coverage or in limits except after thirty (30) days prior written notice has been given to the Town.

E. Verification of Coverage:

The Auditor shall furnish certificates as evidence of such coverage naming the Town of Preston and Preston Board of Education as additionally insured using the ACCORD form. These certificates are to be received and approved by the First Selectman before work commences. Renewal of expiring certificates shall be filed thirty-days prior to expiration. The Town of Preston reserves the right to require complete, certified copies of all required policies, at any time.

All insurance documents required by this exhibit should be mailed to:

Town of Preston
First Selectman's Office
389 Route 2
Preston, Connecticut 06365

F. Failure to Purchase or Maintain Insurance:

If the Town or the auditing firm is damaged by failure of the auditing firm to purchase or maintain insurance as required by this exhibit, the auditing firm shall bear all reasonable costs including, but not limited to attorney's fees and costs of litigation.

Firm

Date

Authorized Signature

Title

APPENDIX D
AUDIT SERVICES PROPOSAL LETTER

Board of Finance
Town of Preston
389 Route 2
Preston, Connecticut 06365

Dear Preston Board of Finance:

We have read the Request for Proposals and fully understand its intent and contents. We certify that we have adequate personnel, insurance, equipment, and facilities to fulfill the specified requirements. We understand that our ability to meet the criteria and provide the required services shall be judged solely by the Board of Finance.

We have attached the following:

1. Technical Proposal as outlined in Section V
2. Appendix A: Dollar Cost Proposal for Auditing Services
3. Appendix B: Proposer Guarantees and Proposer Warranties
4. Appendix C: Insurance Statement

It is further understood and agreed that all information included in, attached to, or required by the Request for Proposals shall be public record upon delivery to the Town of Preston.

Submitted by:

Firm

Authorized Signature

Title

Telephone & Email

Date