

CITY OF EVERMAN



REQUEST FOR SUBMISSIONS

FOR

INDEPENDENT FINANCIAL AUDIT SERVICES

Solicitation Release Date:	Wednesday, June 7, 2023
Deadline for Questions:	Wednesday, June 14, 2023
City's Response to Questions:	Wednesday, June 21, 2023
Submittal Deadline:	Wednesday, June 28, 2023

Table of Contents

I. Introduction

- a. Request for Submissions.....4
- b. Term of Engagement.....4

II. Description of Municipality

- a. Background Information.....4
- b. Current City Officials
 - i. Elected Officials.....5
 - ii. Appointed Officials.....5
 - iii. Administration Team.....5
- c. Finance Department Personnel.....5
- d. Principal Contact.....6
- e. Budgetary Basis of Accounting.....6
- f. Financial Information.....6
- g. Pension and Post Employment Benefits.....6
- h. Component Units.....6
- i. Fund Structure.....7
- j. Internal Audit Function.....7
- k. Federal and State Financial Assistance.....7
- l. Computer System.....8

III. Scope of Audit Services Required

- a. Auditing Standards.....8
- b. Reporting.....9

c. Management Letter.....	9
d. Provision of Advisory Guidance.....	9
e. Special Assistance.....	9
f. Requested Client-Prepared Schedules.....	10
g. ACFR Preparation.....	10
h. Working Paper Retention and Access to Working Papers.....	11
IV. City Responsibility During the Audit.....	11
V. Calendar of Events	
a. Selection of Audit Firm.....	11
b. Contemplated Schedule for Annual Audit.....	12
VI. Information Requested from Audit Firms.....	12
VII. Submission of Statement of Qualifications	
a. Instructions to Prospective Firms.....	14
b. Filing Requirements.....	15
VIII. Evaluation Criteria.....	15
IX. Rights Reserved by the City of Everman.....	16
X. Conflicts of Interest.....	17
XI. Warranties.....	17
XII. Dollar Cost of the Audit Services to be Provided.....	17

INTRODUCTION

Request for Submissions (RFS)

The City of Everman is soliciting requests for submissions from qualified and experienced firms of certified public accountants to perform the City's annual audit, issue opinions on related financial statements, and to prepare its annual comprehensive financial report (ACFR) based on the audit. Persons qualified to perform these services include certified public accountants who are licensed in the State of Texas and public accountants who hold permits to practice from the Texas State Board of Public Accountancy.

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

Any inquiries concerning the request for submissions should be addressed to Susanne Helgesen, Finance Director, by email: shelgesen@evermantx.net, or by mail/in person: 212 North Race Street, Everman, TX 76140.

This request for submissions represents a competitive process, which is designed to facilitate an open and fair opportunity for qualified firms to offer their services for consideration. This competitive process will provide the City with the flexibility to select the firm whose proposal is deemed most advantageous for the City and to negotiate with such firm to arrive at a mutually agreeable contract.

The City 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 the request for submissions, unless clearly and specifically noted in the proposal submitted and confirmed in the contract between the City and the firm selected. The City reserves the right to accept or reject any and all proposals and to re-solicit for proposals, as it shall deem to be in the City's best interest.

Term of Engagement

A three-year contract, with an optional two-year extension is contemplated, subject to the annual review and recommendation of the City Manager and Finance Director, the satisfactory performance, the satisfactory negotiation of terms (including a price acceptable to both the City and the selected firm), the concurrence of the City Council, and the annual availability of an appropriation. The audit will initially be performed for the fiscal year ending September 30, 2023.

DESCRIPTION OF MUNICIPALITY

Background Information

The City of Everman is a political subdivision of the State of Texas located in Tarrant County south of Loop 820 (I-20 West) twelve miles south of downtown Fort Worth, which is a part of the Dallas-Fort Worth Metropolitan Area.

The City’s population is 6,246 and continues to grow at a slow, but steady pace as the Texas economy booms and many families have the desire to live in more rural locations. Everman has a population density of 3,521 people per square mile. Everman is the 346th most populated city in the state of Texas out of 1,804 cities.

The City’s 78 employees provide building, development, drainage, parks, recreation, police, fire, dispatch, streets, wastewater, water, library and general administrative services for the community. The City of Everman adopted a Home Rule Charter on April 5, 1986 and presently operates under the Council-Manager form of government.

Current City Officials

Elected Officials

The City has six Council members and a Mayor elected at-large. The current elected officials are:

- Mayor.....Ray Richardson
- Place 1.....Linda Sanders
- Place 2.....Carolyn Renfro
- Place 3.....Johnnie Allen
- Mayor Pro-Tem/Place 4.....Susan Mackey
- Place 5.....Judy Sellers
- Place 6.....Miriam Davilla

Appointed Officials

City Council appoints the City Attorney, City Manager, and the Municipal Court Judge.

- City Attorney.....Nichols, Jackson, Dillard, Hager & Smith, LLP
- Municipal Court Judge.....Bill Lane
- City Manager.....Craig Spencer

Administration Team

All other Department Heads and employees are appointed by and report to the City Manager. The Administration team includes:

- Assistant City Manager/Finance Director.....Susanne Helgesen
- City Secretary.....Mindi Parks

Finance Department Personnel

The Finance Director is a Certified Governmental Finance Officer, has a Master of Business Administration, and a Bachelor of Science in Business Administration from the University of Phoenix. She has 13 years of municipal government finance and 12 years of state government finance experience.

Other finance related personnel include the following positions:

- AP/AR Clerk
- AP/Payroll Clerk
- Utility Billing
 - Director of Customer Service
 - Utility Billing Clerk (2)
- Municipal Court
 - Court Clerk

Principal Contact

The auditor's principal contact with the City will be Finance Director, Susanne Helgesen, or a designated representative she appoints for a particular task, who will coordinate the assistance to be provided by the City to the auditor.

Budgetary Basis of Accounting

The City prepares its operating budget on an annual basis and is kept on a modified accrual basis. The budgets for all governmental funds are prepared and adopted on a basis consistent with generally accepted accounting principles. The budgets prepared and adopted for enterprise funds differ from generally accepted accounting principles primarily in that depreciation expense is not a budgeted item, while capital outlay is budgeted as an expense.

Financial Information

Total annual appropriations for all funds for Fiscal Year 2022-2023 is \$9.1 million. More detailed information, including current and prior annual budgets and annual comprehensive financial reports are available on the City's website (www.evermantx.us).

Pension and Post Employment Benefits

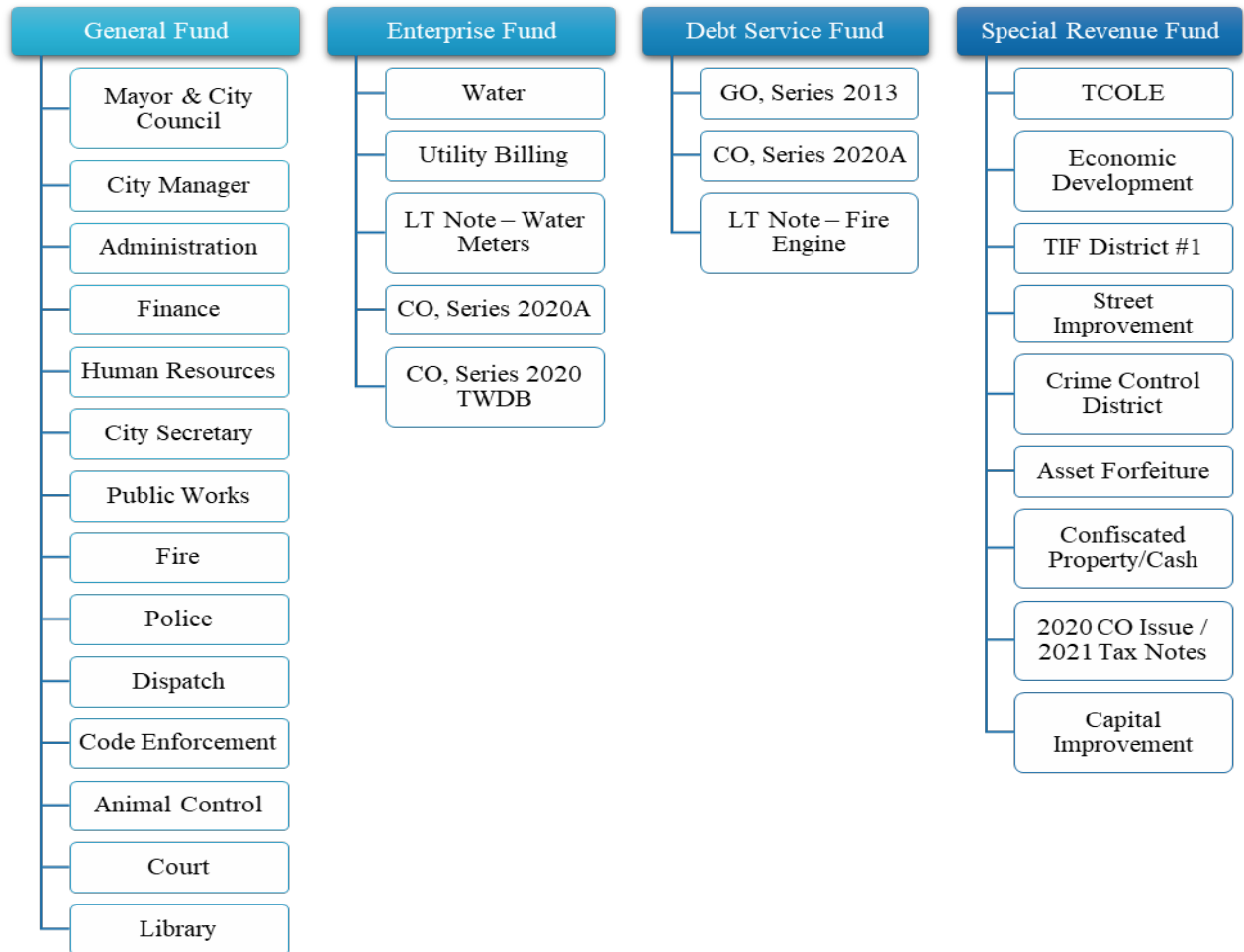
The City's employees participate in the Texas Municipal Retirement System. The City has Other Post-Employment Benefits, in compliance with current GASB pronouncements as related to offering retiree life insurance at retiree cost. The City contracts an annual actuarial valuation to determine the associated liabilities.

Component Units

Besides the primary government, the City's financial statements provide information for its one (1) component unit. The Everman Economic Development Corporation is included as a discretely presented component unit. This component unit is funded by a portion of the levy of sales and use tax to promote economic development within the community.

Fund Structure

City of Everman Fund Structure



Internal Audit Function

The City does not currently have any internal audit functions.

Federal and State Financial Assistance

During the fiscal year to be audited, the City received funding from federal and state financial assistance programs. A single Audit may be required if the appropriate grant expenditure thresholds are met. In recent years the City has been required to provide a Single Audit report each year.

Computer System

The City currently uses OpenGov Cloud software package for the following applications:

- Financials
 - General Ledger
 - Fixed Assets
 - Cash Receipts
 - Accounts Receivable
- Purchasing
 - Accounts Payable
- Community Services
 - Utility Billing
- Budget & Planning
 - Operating and Capital
 - Workforce Planning
- Reporting and Transparency
 - Reporting
 - Transparency

SCOPE OF AUDIT SERVICES REQUIRED

Auditing Standards

The examination of the City's financial statements should be made in accordance with:

- Auditing standards generally accepted in the United States of America,
- Standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States,
- Provisions of the Federal Single Audit Act of 1984, Amendments of 1996
- Provisions of relevant Governmental Accounting Standards Board statements, and
- U.S. Office of Management and Budget Circular A-133, *Audits of State, Local Governments, and Non-Profit Organizations*, as applicable.

The auditor will express an opinion concerning whether the general-purpose financial statements present fairly, in all material respects, the financial position of the City of Everman, Texas and the results of its operations and the cash flows of its proprietary fund types for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, the auditor will consider the City's internal control structure over financial reporting and assess control risk. It is recognized that the management of the City is responsible for establishing and maintaining an internal control structure.

Reporting

The selected audit firm will be required to prepare the following reports addressed to the Honorable Mayor and the City Council and including statements that the audit was performed in accordance with generally accepted auditing standards:

- Independent Auditor's Report examining the City's general purpose financial statements and including an opinion as to whether the statements conform to generally accepted accounting principles and that the individual fund information is fairly presented in all material respects in relation to the general purpose external financial statements. (Independent Auditor Report)
- Report of Compliance stating whether the examination disclosed instances of significant non-compliance with laws and regulations and presenting findings of any ineligible expenditures. (Single Audit)
- Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*. (Internal Control Report) and
- All other reports required of the independent auditor examining the City's financial statements in accordance with the standards listed above.

Management Letter

The selected audit firm shall observe the adequacy of the systems of financial statements, internal control, management information systems, legality of actions, and instances of non-compliance with laws and regulations of any other material matters. If weaknesses are noted, appropriate findings and recommendations should be reviewed by the City Manager and Finance Director, with final inclusion in a separate letter to City Council.

Provision of Advisory Guidance

The successful audit firm will be expected to provide advisory guidance to City staff during the course of audit work for accounting and other technical matters necessary to keep the City in compliance with any changes in governmental accounting and financial reporting standards.

Special Assistance

The City would like to begin submitting the ACFR to the Government Finance Officers Association of the United States and Canada (GFOA) for review in its Certificate of Achievement for Excellence in Financial Reporting Program. Therefore, the successful audit firm will be required to provide special assistance to meet the requirements of this program. The City will give additional consideration to those firms that have actively participated in technically assisting clients awarded the certificate.

The City may require the auditor's assistance to comply with new reporting requirements mandated by the Government Accounting Standards Board (GASB).

The auditor will submit Form SF_SAC data collection form and a copy of the A-133 reporting package to the Federal Audit Clearinghouse.

Requested Client-Prepared Schedules

The successful audit firm will be expected to submit a detailed list of requested client-prepared schedules to the City's Finance Director at an agreed-upon date to facilitate efficient and timely completion for the fieldwork process. This will allow the Finance Department to adjust daily operations to prepare auditor requests. Additional staff time may be necessary to prepare schedules for the audit and thus this time constraint should be taken into account in preparing the Statement of Submissions.

ACFR Preparation

The audit firm will prepare the draft and final versions of the ACFR as follows:

- The introductory and statistical sections will be prepared by City staff with assistance from the auditor as necessary. Final review of introductory and statistical sections will be performed by the auditor.
- The financial section will be prepared by the auditor. The auditor will compile and prepare all financial statements and schedules. The notes to the basic financial statements will be a joint effort of the City and the auditor, and they will be prepared by the auditor.
- Printing and binding of ten (10) copies of the ACFR will be the responsibility of the audit firm. The audit firm will also provide the City with a print-ready version of the ACFR in electronic Portable Document Format (PDF) to facilitate the printing of any additional copies and for posting the ACFR on the City's website before February 29, 2024 for the FY 2023 audit. The ACFR is to be presented to council at the first council meeting in March. The subsequent audits will also be due in February of each year.
- The introductory transmittal letter will be provided by the City. Management Discussion and Analysis (MD & A) and Statistical Sections of the ACFR will be prepared by both the auditors and City staff.
- The City reserves the right to edit the auditor's ACFR and make recommendations and/or modifications, in accordance with all applicable governmental reporting requirements.
- The auditors should have the Audited Financial Statement completed at the earliest possible date and presented to council in February. The auditor will also prepare written responses as required by the GFOA Certificate of Achievement for Excellence in Financial Reporting, resulting from the prior year GFOA Financial Review (if applicable).
- The schedule of federal financial assistance and related auditor's report, if required, as well as reports on internal control structure and compliance are to be issued as part of the audit.

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 City of the need to extend the retention period.

At the City’s request, copies of any or all working papers prepared in conjunction with a representative audit engagement will be provided, on a timely basis, at no cost to the City. In addition, the audit firm shall respond to reasonable inquiries of successor auditors and allow them to review working papers relating to matters of continuing accounting significance.

CITY’S RESPONSIBILITY DURING THE AUDIT

Responsible management personnel and City finance department staff will be available during the audit to assist the firm by providing information and explanations, specifically:

- The City finance department staff shall close all accounts within 90 days after fiscal year end and prepare, at the audit firm’s option, a trial balance and/or detailed general ledger transaction listing for all funds to be examined by the auditor.
- The City will provide the auditor with an onsite work area and access to a source of power, internet access, telephone, photocopier, and fax machine during regular work hours.
- The City will make available and accessible all documents, records, and systems requested by the independent auditors to conduct their examination.
- City staff will be available to provide documents and reports for examination, reproduce documents, prepare specific schedules, etc.
- The City will allow the auditors access to staff work areas for confidential discussions to take place.

CALENDAR OF EVENTS

Selection of Audit Firm

The following is a calendar of events for selection of an auditor. Dates are subject to change.

Solicitation Release Date & 1st Publication	June 7, 2023
Deadline for Questions & 2nd Publication	June 14, 2023
City’s Response to Questions	June 21, 2023
Submittal Deadline	June 28, 2023
Anticipated City Council Approval	July 11, 2023
Anticipated Effective Date of Contract	October 1, 2023
Preliminary Audit Work Begins	October 2023
Field Work Begins	December 2023
Completed Audit and ACFR to be Presented to Council	March 2024

Contemplated Schedule for Annual Audit

The desired schedule for completion of certain aspects of the audit for each year of the engagement is as follows:

- The audit may commence after September 30 or at an earlier time for planning purposes as mutually agreed upon by the City.
- Detailed list or requested schedules to be prepared by City staff needs to be provided to the City at least one (1) month prior to the beginning of field work.
- The preliminary draft report will be prepared by the audit firm and given to the City during February.
- The audit firm will be required to present the ACFR to the City Council at a regularly scheduled council meeting in March.

INFORMATION REQUESTED FROM AUDIT FIRMS

Any firm interested in being considered for the independent financial audit services engagement is requested to submit, on the firm's letterhead, a Statement of Qualifications which provides information on the points indicated below. Responding firms should refer to Section VII (Submission of Statement of Qualifications) of this RFS for additional response guidelines.

To achieve a uniform review process and obtain the maximum degree of comparability, the Statement of Qualifications is to be organized according to the following outline:

- Title Page

Show the RFS subject, the name of the proposing firm, mailing address, website address, telephone number, primary contact, and date submitted.

- Table of Contents

Include a clear identification of the material by section and page number.

- Letter of Transmittal

The letter of transmittal should include the following information:

- Briefly state the firm's understanding of the work to be performed and provide a clear commitment that work will be performed within the time periods specified in the RFS.
- Provide the names of the persons who will be authorized to make representations for the firm, their titles, addresses, email addresses, and telephone numbers.
- State that the person signing the transmittal letter is authorized to bind the firm and enter into a contract.

- The firm should provide affirmative statements that:
 - It is licensed to practice in the State of Texas and
 - It is independent of the City of Everman as defined by Government Auditing Standards issued by the Comptroller General of the United States. (Otherwise, identify and discuss any potential conflicts of interest of which the firm is aware.)

- Profile of the Responding Firm

The profile should include the following elements:

- State whether the firm is local, regional, national, or international.
- State the location of the office from which work is to be performed and the number of partners, managers, supervisors, seniors, and other professional staff employed at the office.
- Describe the local office's capacity to audit information technology systems, including the number of classifications of personnel skilled in computer sciences who will work on the audit.
- List the firm's professional affiliations and the results of the latest peer review.

- Summary of the Responding Firm's Qualifications

The summary of the audit firm's qualifications shall include:

- Describe the firm's most recent auditing experience similar to the type of audit being requested.
- Include a reference list of local government audit clients and the number of years served for each. Indicate who prepared each entity's ACFR and whether the entity has been awarded any GFOA Certificates of Achievement for Excellence in Financial Reporting.
- Identify the partner, audit manager, and supervisors who will work on the audit. Resumes including relevant governmental auditing experience and continuing education for each individual assigned to the audit should be included (resumes may be included as an appendix).
- Indicate the firm's experience in providing any additional services to local governments by listing the name of each entity, the type(s) of service performed, and the year(s) of engagement.

- Approach to the Audit

The description of the firm's approach to the audit shall include the following components:

- A work plan to accomplish the scope of services required, including an explanation of the audit methodology to be followed. In developing the work

plan, reference should be made to sources of information, such as the City's budget and related materials, organizational charts, manuals and programs, and financial and other management information systems.

- The planned use of any specialists should be specified.
- Proposed segmentation of the engagement.
- Level of staff and number of hours to be assigned to each proposed segment of the engagement.
- Sample sizes and the extent to which statistical sampling is to be used in the engagement.
- Extent of the use of electronic data processing software in the engagement.
- Type and extent of analytical procedures to be used in the engagement.
- Approach to be taken to gain and document an understanding of the City's internal control structure.
- Approach to be taken in determining laws and regulations that will be subject to audit test work.
- Approach to be taken in drawing audit samples for purposes of tests of compliance.
- State the purpose and degree of utilization of City of Everman personnel.

SUBMISSION OF STATEMENT OF QUALIFICATIONS

Instructions to Prospective Firms

The following instructions should be observed by firms responding to this RFS:

- Please respond specifically to all information requested in this RFS or indicate why a particular response is not given.
- Please limit responses to relevant material. Any additional data may be included in the Statement of Submissions at the proposer's discretion. Additional information must be submitted in the form of an appendix or bound separately.
- Identify the RFS item being addressed in the introduction to each response.
- Respondents or their representatives are prohibited from communicating with the City of Everman officials (including City Council members) and employees (other than the Principal Contact) regarding the RFS from the time it is released until it has been acted upon by the City Council. Violation of this provision by respondents or their agents will lead to disqualification of the respective Statement of Qualifications from consideration.
- If there are any clarification questions regarding the scope of work and/or any other requirements of this RFS, respondents or their representatives should submit them in writing and forward them via email to Susanne Helgesen, Finance Director at shelgesen@evermantx.net. All responses by the City will be provided in the form of an addendum and will be posted on the City's website at www.evermantx.us. It is the responsibility of responding firms to ensure that the addendum has been reviewed and addressed in their Statement of Qualifications.

- The City of Everman is subject to the Texas Open Records Act; however, certain types of information may be exempt from disclosure under the Act. Firms submitting information, which they deem confidential or proprietary, must clearly mark and identify such information page by page. The City, to extent allowed by applicable law, will protect such information from disclosure. The final decision as to what information must be disclosed under the Open Records Act lies with the Texas Attorney General.

Filing Requirements

The City of Everman requests three bound copies of the Statement of Qualifications, along with a PDF version suitable for reproduction. All Statement of Qualifications should be sealed in an envelope and clearly marked “Statement of Qualifications for Independent Financial Audit Services” on the outside of the envelope or on any carrier’s envelope.

Sealed Statements of Qualifications are to be mailed, sent by overnight courier, or hand-delivered to the attention of:

City of Everman
Susanne Helgesen, Finance Director
212 North Race Street
Everman, TX 76140

The City of Everman will accept sealed Statements of Qualifications for independent financial audit services until 4:00 p.m. on Wednesday, June 28, 2023. **Statements of Qualifications received after this time will not be considered.**

The City of Everman will not be responsible in the event that the U.S. Postal Service or any other courier system fails to deliver the sealed Statements of Qualifications to the City by the deadline specified above. **Electronic transmission or facsimile of the Statement of Qualifications will not be accepted.**

EVALUATION CRITERIA

City staff’s recommendation to the City Council will be based on the Statement of Qualifications determined to offer the best value to the City and its taxpayers. The evaluation of the Statement of Qualifications will be made based on, but not limited to, the following criteria, in no particular order of priority or rating, in addition to the scoring listed in Section VI (Information Requested from Audit Firms) of this document. These factors will be applied to all eligible, responsive firms in comparing the Statements of Qualifications received and in selecting the audit firm.

The City of Everman reserves the right to require oral presentations by any or all firms. A contract award may be made without oral presentations and/or discussions with firms after RFS responses are received by the City. Therefore, RFS responses should be submitted on the most favorable terms.

All costs directly and indirectly related to preparation of a response or oral presentation, if any, required to supplement and/or clarify an item in the RFS shall be the sole responsibility of, and shall be borne by, the responding firm.

The City will use the following criteria in selecting the best-qualified firm:

- Knowledge of generally accepted accounting principles, auditing standards, financial policies, and procedures applicable to governmental entities.
- Prior experience in auditing financial statements of similar sized or larger municipal governments in Texas.
- Proposing firm's approach to the examination and the work plan for accomplishing the scope of services required in the RFS.
- Proposing firm's anticipated hours, timelines, and sequence for audit procedures and anticipated total billing charges to complete the FY 2023 audit engagement, and a statement of how these amounts would change for the subsequent years.
- Availability of trained personnel and technical resources required for conducting the audit and for providing consultation on accounting and other technical matters as needed to keep the City current on any changes in governmental accounting and financial reporting standards.
- A demonstrated ability to provide assistance in obtaining the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association.

RIGHTS RESERVED BY THE CITY OF EVERMAN

The City reserves the right to award one (1), or no contract(s) in response to this RFS.

The contract, if awarded, will be awarded to the firm or firms whose proposals are deemed most advantageous to the City, as determined by the selection committee, and subject to approval of the City Council.

The City may accept any proposal completely or in part. If subsequent negotiations are conducted, they shall not constitute a rejection or alternate RFS on the part of the City. However, final selection of a firm is subject to City Council approval.

The City reserves the right to accept one (1) or more proposals or reject any or all proposals received in response to this RDQ, and to waive informalities and irregularities in the proposals received. The City also reserves the right to terminate this RFS, and re-issue a subsequent solicitation, and/or remedy technical errors in the process.

The City reserves the right to add similar services or delete services specified in any contract resulting from this procurement if requirements change during the performance of the contract. Prices for services to be added to the contract must be mutually agreed to by the City and the selected firm. A contract modification will be required for any service addition or deletion or price modification.

This RFS does not commit the City to enter into a contract, award any services related to this RFS, or obligate the City to pay any costs incurred in preparation or submission of a proposal or anticipation of a contract.

The City reserves the right to request additional information or to meet with representatives from responding firms to discuss items in the Statement of Qualifications before and after submission, any or all of which may be used in forming a recommendation.

The City may retain all Statements of Qualifications submitted and to use any ideas in a Statement of Qualifications regardless of whether the Statement is selected.

The City may also terminate all or any part of the unfinished portion of the work resulting from this solicitation within thirty (30) days written notice due to default, delay, or non-performance by the firm or if it is deemed in the best interest of the City for convenience.

CONFLICTS OF INTEREST

No public official may have interest in this contract in accordance with the Texas Local Government Code Title 5, Subtitled C, Chapter 171.

WARRANTIES

The following warranties are required:

- The successful firm warrants that it will not delegate or subcontract its responsibilities under the audit engagement without the express prior written consent of the City.
- The successful firm warrants that it will not replace or substitute key audit personnel without the City's knowledge or consent.
- The successful firm warrants that it is willing and able to obtain an errors and omissions insurance policy providing a prudent amount of coverage for willful or negligent acts or the omissions of any officers or employees.
- The submission of a Statement of Qualification shall be *prima facie* evidence that the proposing firm has full knowledge of the scope, nature, quantity, and quality of the work to be performed, the detailed requirements of the specifications, and the conditions under which the work is to be performed.

DOLLAR COST OF THE AUDIT SERVICES TO BE PROVIDED

Once the City has ranked all validly submitted Statements of Qualifications and selected a firm on the based on demonstrated competence and qualifications, the City will then consider the firm with a fair and reasonable price for its services. Cost will not be the primary factor in the selection of an audit firm. The proposing firm will be expected to provide the following items for consideration:

- The dollar cost is to provide the maximum not-to-exceed fee. The total hours and hourly rate required to complete the requested work by staff classification are to be

- stated. The resulting all-inclusive maximum not-to-exceed fee amount is to contain all direct and indirect costs, including all out-of-pocket expenses.
- The cost to perform the Single Audit (if applicable) is to be shown separately from the cost to audit the basic financial statements and required supplementary information. In addition, the expected rates for any additional services for which the City might desire to utilize the expertise of the auditor on additional projects outside the scope of this financial audit engagement are to be provided.
 - The expected manner and terms of payment for the proposed engagement are to be provided.