



## FIRST DISTRICT WATER DEPARTMENT

12 New Canaan Avenue  
Post Office Box 27  
Norwalk, Connecticut 06852

Office: 203-847-7387  
Fax: 203-846-3482  
Email: [info@firstdistrictwater.org](mailto:info@firstdistrictwater.org)

COMMISSIONERS  
Marija V. Bryant, Chairman  
Thomas J. Cullen, Esq.  
Elsa Peterson Obuchowski

DISTRICT TREASURER  
Jalin T. Sead

GENERAL MANAGER  
DISTRICT ENGINEER  
Dominick M. Di Gangi, P.E.

March 8, 2019

## REQUEST FOR PROPOSALS

**PROJECT:**                   **RFP 2019 - 1**  
                                      **Financial Auditing Services**  
                                      **Request for Proposals**

### **I.     INTRODUCTION**

The First Taxing District of the City of Norwalk, Connecticut is requesting Statement of Qualifications and Proposals from Certified Public Accounting firms to conduct the annual audits for fiscal years ending June 20, 2019, June 30, 2020 and June 30, 2021 of the First Taxing District's financial statements; a Federal Single Audit conducted in accordance with OMB Circular A-133; and a State Single Audit in accordance with C.G.S. Sections 7-394a, 7-396 through 7-397, inclusive, and the Single Audit Act, C.G.S. Sections 4-230 through 236 inclusive, and regulations promulgated thereunder (the Single Audit is for fiscal years ended June 30, 2020 and June 30, 2021 only).

The detailed Request for Proposals can be obtained either at the Office of the District Clerk at the above address or email [dcaपोlete@firstdistrictwater.org](mailto:dcaपोlete@firstdistrictwater.org) to obtain an electronic copy.

### **II.    ABOUT THE DISTRICT**

The central section of Norwalk is an urbanized area in roughly the geographic center of the city, north of South Norwalk and the Connecticut Turnpike. This portion of Norwalk was the Borough of Norwalk from 1836 until incorporation as the first City of Norwalk in 1893. In 1913 the separate cities of Norwalk, South Norwalk, as well as the unincorporated portions of the Town of Norwalk consolidated to form the City of Norwalk that exists to this day. Central Norwalk is now the First Taxing District of the City of

Norwalk. The newly created Charter authorized the District to use the water of any stream, lake or pond within the limits of the Towns of Norwalk, Weston, New Canaan, Wilton and Ridgefield to hold, convey and distribute water by means of any necessary reservoirs, pipes, aqueducts, pumps and other suitable works, to take and hold any lands, property or privileges, and to exercise any powers that may be necessary in order that a satisfactory supply of water may be obtained, stored and distributed.

The District Water Department system serves approximately 40,000 residents located within the City of Norwalk and in small areas in the Towns of New Canaan, Westport and Wilton. The water supply system is comprehensive in nature, covering a broad assortment of waterworks facilities, including impounded surface water reservoirs, groundwater aquifer wells, a conventional filtration plant, storage tanks, and gravity and booster pump stations for generating system flow and pressure needs.

The First Taxing District Water Department is presided over by a three (3) person Board of Commissioners. The term of each Commissioner is 6 years. An election for one Commissioner is held every odd year. The Board of Commissioners meet monthly to set policy, establish and approve budgets. The structure reflects a governing body (Board of Commissioners) and functional areas (i.e., Administration and Finance, Engineering, Customer Service, Operations, Water Treatment and Supply). The Water Department is managed under the direction of a General Manager appointed by the Board of Commissioners. The General Manager is the chief executive officer responsible for the overall administrative, technical and financial management of the Water Department, subject to the District and policy guidance of the Board of Commissioners. In this role, the General Manager is responsible for the formulation and execution of broad policies and procedures in directing and coordinating all activities and programs of the Board to manage the Water Department and serve its ratepayers. In accordance with Connecticut General Statutes, the First Taxing District Water Department operates on a July 1 to June 30 fiscal year. The financial records are audited annually by an outside contracted accounting firm. The District uses the accrual basis of accounting, and currently operates under an annual Board approved operating budget of approximately \$9 million.

### **III. JOINT VENTURES AND SUB-CONSULTANTS**

Respondents proposing service through sub-consultants and joint ventures will be considered provided one is identified as the prime consultant. The employment of sub-consultants shall not in any way relieve the Respondent of full responsibility for the performance of all the work or the obligations or liabilities related thereto. The

Respondent agrees that it will pay its sub-consultants within 30 days of the receipt of payment by the District.

The District shall retain the right to request a new sub-consultant if it is deemed necessary by District management.

#### **IV. QUESTIONS**

Questions and any requests for clarification regarding this Request for Proposals must be submitted to:

David Capolete  
Senior Accountant  
First Taxing District Water Department  
Post Office Box 27  
12 New Canaan Avenue  
Norwalk, Connecticut 06852  
(203) 847 7387 Extension 16  
dcapolete@firstdistrictwater.org

Questions shall be in writing and received no later than 4:00 P.M. on March 22, 2019. Answers to substantive questions shall be provided in writing to all invited firms.

#### **V. SCOPE OF SERVICES**

The audit engagement period shall cover fiscal years ending on June 30, 2019; June 30, 2020; and June 30, 2021; a Federal Single Audit conducted in accordance with OMB Circular A-133; and a State Single Audit in accordance with C.G.S. Sections 7-394a, 7-396 through 7-397, inclusive, and the Single Audit Act, C.G.S. Sections 4-230 through 236 inclusive, and regulations promulgated thereunder (the Single Audit is for fiscal years ended June 30, 2020 and June 30, 2021 only). At the conclusion of the audit, a senior representative of the accounting firm shall appear before the General Manager to discuss the findings of the audit and to present any recommendations for improving the District's systems of internal controls.

Over the course of the audit engagement period, the accounting firm shall, at no additional cost to the District, make qualified staff members available for general consultation regarding financial accounting and reporting issues.

The independent auditor will prepare the comprehensive financial report for the District in accordance with generally accepted auditing standards and in conformity with municipal audit requirements of the State of Connecticut Office of Policy and Management. The audit shall comply with the Single Audit Act requirements issued by the State of Connecticut and the Comptroller General of the United States. All duties and responsibilities of the independent auditor shall be conducted in accordance with all pertinent provisions of Connecticut General Statutes and First Taxing District Charter.

The financial audit examination will be made in accordance with generally accepted auditing standards as set forth in the Statements on Auditing Standards published by the American Institute of Certified Public Accountants, U.S. Comptroller General's Government Auditing Standards, Provisions of the Single Audit Act of 1984 and U.S. Office of Management and Budget (OMB) Circular A-128, Audits of State and Local Governments, and in conjunction and conformity with sections 4-230 through 4-236 of the Connecticut General Statutes (The State Single Audit Act). The primary purpose of the examination will be to express an opinion on the financial statements. If conditions are discovered which lead to the belief that material errors or other irregularities exist, the independent auditor will promptly advise District management. The compliance audits examination will be made in accordance with generally accepted auditing standards and any other necessary procedures to test compliance with specified laws, regulations, and contracts.

The specified financial statements will include those required for a comprehensive annual financial report as adopted by the Governmental Accounting Standards Board (GASB) and set forth in Statement 1 of the National Council on Governmental Accounting.

## **REPORTING REQUIREMENTS**

Reports shall be prepared and submitted by the independent auditor as required by regulations to the appropriate local, State and Federal agencies as follows:

- Municipal Audit Questionnaire as required by the State of CT Office of Policy and Management
- Annual Financial Report
- Federal and State Single Audit Report
- Report on Internal Control over Financial Reporting, Compliance and other matters
- Management letter of comments and recommendations
- Extension request (if needed)

- Audit adjustments along with a thorough explanation will be provided to the Controller

An independent auditor report to include statement of auditor responsibility, scope of audit and any significant audit findings will also be provided to the District Council, Board of Commissioners and management of the District.

The accounting firm will provide twelve (12) printed copies of the entire audit report as well as providing the report in an electronic format.

## **VI. PROPOSAL FORMAT, SELECTION PROCESS AND SCHEDULE**

### **A. Timetable**

The District expects to complete the selection process in accordance with the following schedule:

Issue the RFP:	March 8, 2019	
Closing Date for Written Questions:	March 22, 2019	4:00 P.M.
Deadline for submission of proposals:	March 29, 2019	11:00 A.M.
On-site presentations:	April 8 - 12, 2019	
Board of Commissioner Approval:	May 8, 2019	

### **B. Proposal Format**

Proposals must be submitted in a sealed envelope marked **“REQUEST FOR PROPOSALS 2019-1, Financial Auditing Services”** on the exterior.

One (1) original and six (6) copies of the Proposal shall be submitted. All proposals upon receipt by the District, shall become property of the District. All proposals shall be signed by the firm’s duly authorized principal to be considered, the complete Proposal must be received by the District Clerk of the First Taxing District of the City of Norwalk at the District’s main office located at 12 New Canaan Avenue, Norwalk, Connecticut 06852 no later than 11:00 A.M. on March 29, 2019.

*Proposals submitted to the District after the stated deadline will be deemed non-responsive and ineligible. Proposals will not be accepted after this time and date.*

The District assumes no liability for proposals not received at the District's office or by the time set forth above or for proposals, which are incorrectly labeled on the envelopes.

The proposal transmittal letter shall be on company letterhead signed by a person authorized to submit and sign a proposal, the firm name, address, telephone number, the name and title of the person authorized to submit/sign the proposal, telephone number and e-mail address.

The District reserves the right to accept or reject any or all qualification statements and to waive informalities or irregularities in the selection process.

The District will not be liable for any costs incurred by the respondents in replying to this request for proposals.

To the extent permitted under Connecticut law, all proposals will be kept confidential. In the event any Respondent believes that any information submitted with its proposal is confidential, classified, or proprietary business information, such information should be explicitly identified and marked. The reason for such designation should also be stated.

Proposals will only be accepted from firms authorized to do business in the State of Connecticut.

### **C. Selection Process**

The content of the submitted proposals and Respondent demonstrations will be used by the District to rank the submissions. The top ranked Respondents will be invited to give an on-site presentation. A combination of proposal submission and presentation will be used to select a preferred vendor. The preferred vendor will be invited to negotiate contract terms and price. In the event of a successful negotiation, the preferred vendor will be awarded a contract to perform the financial audit services. If the negotiations are deemed unsuccessful by the District, the next highest ranked Respondent may be invited to negotiate a contract.

After completing the evaluation and after selection of the consultants, a letter will be sent to all Respondents informing them of the District's decision. Contract award will be made to the Respondents whose Proposals best complies with the requirements of this Request and is in the best interest of the First Taxing District Water Department.

Notwithstanding the above description of the selection process, the District reserves the right to terminate or modify the process and schedule at any time with written notice to Respondents.

## **VII. REQUIREMENTS OF FINANCIAL AUDIT SERVICE PROPOSAL**

The audit service proposal must include:

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 work on this engagement is to be performed and the number and nature of the professional staff to be employed in this engagement on a full-time basis and the number and the nature of the staff to be so employed on a part-time basis.

The audit firm's plan to provide audit services to the First Taxing District of Norwalk, CT, including the methods of evaluating internal controls, testing transactions and balances, audit sampling techniques, compliance testing techniques, and a timetable for providing requested audit services.

Include a discussion of the ability of the independent audit firm to provide comprehensive knowledge of GASB's and the ability to offer the District an effective and efficient implementation of its provisions.

Include a profile of the audit firm with particular attention to prior municipal audit experience within the State of Connecticut. Provide three (3) municipal references, providing the names and phone numbers of the appropriate municipal official to contact.

The qualifications of the principle persons within the audit firm who will be working on the District audit. A commitment must be expressed by the audit firm to make every effort to provide the same personnel throughout the three year engagement with the District.

The audit firm shall also provide information on the results of any federal or state desk reviews or filed 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.

The audit firm is also required to submit a copy of the report on its most recent external quality control review, with a statement whether that quality control review included a review of specific government engagements.

\_\_\_\_\_  
Name of Firm

\_\_\_\_\_  
Street Address

\_\_\_\_\_  
City State Zip Code

\_\_\_\_\_  
Name of Bidder  
Please Print

\_\_\_\_\_  
E-Mail Address

\_\_\_\_\_  
Telephone

\_\_\_\_\_  
Facsimile

\_\_\_\_\_  
Signature Date

A schedule of all-inclusive fixed fees to be charged for each of the years ending June 30, 2019; June 30, 2020; and June 30, 2021. **Please provide a breakdown of pricing for years ending June 30, 2020 and June 30, 2021 which includes the single audit per DWSRF requirements.**

Proposed Audit Fees for Year ending June 30, 2019 \$\_\_\_\_\_

Proposed Audit Fees for Year ending June 30, 2020 \$\_\_\_\_\_

Proposed Audit Fees for Year ending June 30, 2021 \$\_\_\_\_\_

Please attach a list of incidental charges that might occur in the course of the audit that are not included in the above lump sum bid(s).