

WINNETKA PARK DISTRICT

REQUEST FOR PROPOSAL PROFESSIONAL AUDITING SERVICES

I. CALL FOR PROPOSALS – WINNETKA PARK DISTRICT & WINNETKA PARKS FOUNDATION

The Winnetka Park District (“District”) is requesting proposals from qualified firms of certified public accountants to audit its financial statements as well as the financial statements and completion and filing of IRS Form 990 as well as Illinois Charitable Organization Form AG990 and related schedules for both of the Winnetka Parks Foundation (“Foundation”) for three (3) fiscal years ending December 31, 2021, 2022 and 2023, in accordance with the following requirements and specifications.

Proposals should be e-mailed to Christine Berman (cberman@winpark.org), Superintendent of Finance, by **5:00 pm on Thursday, June 10, 2021**. The District reserves the right without prejudice to reject any or all proposals submitted.

For any questions regarding this request for proposal, please contact Christine Berman, Superintendent of Finance, via the email address provided above.

II. ENTITIES TO BE AUDITED

Separate audits will be completed for the Winnetka Park District and the Winnetka Parks Foundation. Additionally, IRS Form 990 and Illinois Charitable Organization Form AG990 and related schedules will be completed and filed on behalf of the Winnetka Parks Foundation.

III. INSTRUCTIONS, TERMS AND CONDITIONS

General Information:

1. Winnetka Park District: Organized in 1904, the Winnetka Park District covers 4.8 square miles and is located in northeast Cook County, Illinois, approximately 17 miles north of downtown Chicago along the western shoreline of Lake Michigan. The District serves virtually all of the Village of Winnetka and portions of the Villages of Glencoe, Northfield and Kenilworth. The District services a population of approximately 12,480.

The District provides a full range of services that include 27 park sites, five lakefront beaches including 3 swimming beaches, a boat launch and a dog beach, one 18-hole and one 9-hole golf course, a golf driving range, a tennis facility with 8 indoor and 12 outdoor courts, a paddle tennis facility with 6 courts, an indoor ice skating rink, 8 baseball/softball diamonds and 9 soccer/football/lacrosse fields. To provide these services, the District employs 31 full-time staff and approximately 240 part-time and seasonal staff throughout the year.

The District is governed by a 7-member elected Board of Park Commissioners who serve overlapping 4-year terms.

2. Winnetka Parks Foundation: The Winnetka Parks Foundation (WPF) is an official 501(c) (3) nonprofit organization established in 1999 to enrich village parks, beaches, recreational

activities, and community events. The Foundation works in partnership with the Winnetka Park District.

Award of Contract:

The contract will be awarded to the responsible firm whose proposal, conforming to the request for proposal, meets or exceeds the evaluation criteria and is in the best interest of the District and the Foundation. The award will not be based solely on price.

Evaluation of Proposals:

Criteria used to evaluate the proposals submitted include, but are not limited to, the following factors:

- Technical competence as evidenced by the proposal submitted
- Experience in park district/municipal auditing
- Experience in GFOA Certificate CAFR preparation, GASB 34 audits, and performing Single Audits as well as audits of Foundations
- Qualifications of personnel assigned to the audit engagement
- References/Past performance of firm
- Quality of the proposal submitted
- Reasonableness of the cost proposal
- Ability to furnish draft audit report by April 15 and a final report by June 15 each year

During the evaluation process, the Winnetka Park District reserves the right, where it may serve the District's best interest, to request additional information or clarification from firms participating in this process, or to allow corrections of errors or omissions.

Finalists should be willing to meet with the Superintendent of Finance and/or the Finance Committee as part of the evaluation process, if requested.

Preparation and Submission of Proposal:

All proposals must be delivered by the specific time indicated under Section I. Call for Proposals. Proposals arriving after the specified time will not be accepted. All forms included in the RFP must be completed and submitted. Authorized signature must be by an officer whose title is stated.

Taxes not Applicable:

The District, as a unit of local government, pays neither Federal Excise Tax nor Illinois Retailers Occupational Tax and, therefore, these taxes should be excluded from quotations. The Foundation is also a tax-exempt organization.

Withdrawal of Proposals:

Submitted proposals remain valid for a period of sixty (60) calendar days after stated closing time for the receipt of proposals; the successful firm shall not withdraw or cancel its proposal after having been notified by the Superintendent of Finance that said proposal has been accepted by the Board of Park Commissioners.

Competency of Firm:

No proposal will be accepted from or contract awarded to any person, firm or corporation that appears to be in default. The firm, if requested, must present evidence of ability and possession of necessary facilities and financial resources to comply with the terms of the attached specifications and proposals.

Conditions:

Firms are advised to become familiar with all conditions, instructions and specifications governing this request for proposal. Once the award has been made, failure to have read all the conditions, instructions and specifications of this contract shall not be cause to alter the original contract or request additional compensation.

Consideration of Proposals:

The District reserves the right to reject any or all proposals and to disregard any informality, when in its opinion; the best interest of the District will be served by such action.

No proposal will be accepted from or contract awarded to any person, firm or corporation that is legally barred to perform services for the District and/or the Foundation

License to Practice in Illinois:

An affirmative statement should be included stating that the firm is properly licensed to practice public accounting in Illinois.

Independence

An affirmative statement should be included stating that the firm is independent of the District, the Foundation and any component units as defined by generally accepted auditing standards.

Subletting of Contract:

No contract awarded by the District shall be assigned or any part subcontracted.

District Ordinances:

The firm will strictly comply with all ordinances of the District and laws of the State of Illinois.

Insurance:

Firm must include an insurance certificate evidencing Professional Liability/Errors and Omissions and Workers Compensation insurance with coverage terms and limits identified.

Proposal Preparation Fees:

There is no expressed or implied obligation for the Winnetka Park District to reimburse responding firms for any expenses incurred in preparing proposals in response to this request.

Completion of Proposal:

The following may be used as a checklist for potential firms in determining the completeness of the proposal to be submitted:

1. Letter of Transmittal (not to exceed two (2) pages) which bears the signature of an authorized representative of the firm and designates the names of individuals authorized to negotiate with the District on a contract.
2. Qualifications of the firm. Provide a general description of your firm's organization, experience, services, staff composition, and memberships in professional organizations. Description of experience should include GFOA, CAFR, Foundation and Single Audit experience.

3. References. Provide a list of at least 5 current governmental clients, including length of service, name, email, and telephone of contact persons. Identify GFOA, CAFR and Foundation clients.
4. Qualifications of key personnel. Include brief resumes of all staff members who would participate in the District's audit; as well as, manager and partner or principal responsible for same.
5. Provide a link for a sample CAFR prepared by firm. This report shall have been awarded the GFOA Certificate of Achievement for Excellence in Financial Reporting.
6. Provide a copy of the firm's most recent external peer review.
7. Cost proposal. A detailed breakdown of hours and cost by staffing levels (Partner, Manager, Supervisor, etc.) is to be included.

Describe the circumstance under which you would propose to increase the fee and how you would communicate such a potential increase to the Winnetka Park District.

List, by Partner and staff level, hourly billing rates to be charged should the Winnetka Park District expand the scope of the audit or require additional services.

8. Working Paper Retention and Access to Working Papers: All working papers and reports must be retained, at the firm's expense, for a minimum of 3-5 years, unless the firm is notified in writing by the Winnetka Park District and/or the Winnetka Parks Foundation of the need to extend the retention period. The firm will be required to make any and all working papers available, upon request, to the Winnetka Park District and the Winnetka Parks Foundation. 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.
9. Audit approach. Include a description of the audit approach that the firm will use to audit the District - proposed timing of engagement; level of staff and number of hours to be assigned to each proposed segment of the engagement; process to gather information on internal control structure; process/delivery method for workpapers and support documents, etc.
10. Completed forms in Sections IV through VI of this request for proposal; as well as additional information requested as part of these sections.

IV - DETAILED SPECIFICATIONS

The Winnetka Park District and the Winnetka Parks Foundation, Winnetka, Illinois, are seeking proposals from qualified and interested Certified Public Accounting firms to provide annual audit services as well as the completion of financial statements and filing of IRS Form 990 and Illinois Charitable Organization Form AG990 and related schedules for both of the Winnetka Parks Foundation beginning with the fiscal year ended December 31, 2021. It is essential that the accounting firm have extensive experience in governmental auditing and reporting standards as promulgated by the Governmental Accounting Standards Board and the AICPA Industry Audit Guide. This Request for Proposal outlines the requirements of the District and provides the necessary information to submit a proposal.

The accounting firm to provide auditing and financial services for the three (3) fiscal years ending December 31, 2021 through December 31, 2023 (“Services”). Firms are to provide all-inclusive cost proposals for each of the next three years.

The auditing firm will send the District’s comprehensive annual financial report to the Government Finance Officers Association (GFOA) for review in its Certificate of Achievement for Excellence in Financial Reporting (CAFR) program. The firm will also submit all required financial documents for the Winnetka Parks Foundation.

The District also requires access to the assigned Partner on an as-needed basis for routine consultation and questions on accounting, compliance or internal control issues that may arise throughout the year.

Scope of Services - Base Proposal

The following services are to be provided in the firm’s base proposal.

1. The firm is to express an opinion on the fair presentation of the financial position of the governmental activities and business-type activities in conformity with accounting principles generally accepted in the United States of America. The firm will issue an “in relation to” opinion on the District’s combining and individual fund financial statements and schedules.
2. The firm shall be responsible for performing certain limited procedures involving providing required supplementary information required by GASB as mandated by generally accepted auditing standards.
3. The report, including financial statements, notes, and statistical sections, is to be presented in a manner that is consistent with GASB, GFOA CAFR standards and practices. The firm will submit the report to the GFOA CAFR award program on the District’s behalf.
4. The firm must prepare any response to GFOA regarding CAFR deficiencies noted on the prior year report, if any. The District’s most current CAFR for fiscal year ending December 31, 2019 is available for viewing on the District’s website at <https://www.winpark.org/about-us/financials/>.
5. The District will provide all records necessary to perform such audit; prepare workpapers; and provide updated data for applicable statistical tables.
6. The Letter of Transmittal, Management’s Discussion and Analysis, and necessary letterhead will be provided by Winnetka Park District.
7. Report preparation, editing, printing, and supplies including covers, dividers, and spines shall be the responsibility of the Firm.
8. If during the course of the examination, the Firm finds any weaknesses in internal controls, the Firm shall summarize such findings and recommendations in the form of a separate management letter to Winnetka Park District.
9. The Firm shall be available to meet with elected officials at an evening meeting to answer questions regarding the proposal, the completed audit, Board Communication, or management

letter, if requested. The Firm will present the audit report to the Board of Commissioners at its meeting in June of each year of the Agreement.

10. The Firm shall be available to meet with Foundation Board members at an evening meeting to present the audit report and related financial documents to the board at a meeting date to be determined each year.
11. The Firm shall be available for consultation and questions which arise throughout the year regarding accounting, compliance or internal control issues.
12. The Firm’s responsibility includes advising the District of all filing requirements related to the Single Audit Act. If required, the Firm shall prepare a Single Audit Report as required by the Single Audit Act. District requirements vary from year-to-year and at the present time, a Single Audit is not required.
13. The firm will prepare and submit the Annual Financial Report required by the State of Illinois Comptroller and provide the District with an electronic .pdf copy of submitted report.
14. The Firm shall complete their audit fieldwork and submit a draft of the CAFR and management letter within 120 days of year-end. Preliminary fieldwork is encouraged. Final copies of the CAFR, management letter, certificate responses, and required compliance opinions are due no later than June 15th of each year. This same schedule should be adhered to for the Winnetka Parks Foundation and related financial reports and statements.
15. The following minimum numbers of reports are to be provided, photocopied and bound:
 - Fifteen (15) bound color copies of the District’s Comprehensive Annual Financial Report.
 - Ten (10) bound copies of the Auditor’s Communication to the Board of Commissioners.
 - Electronic .pdf copies of the CAFR, Management Letter, and Annual Financial Report.
 - Five (5) bound color copies of the Foundation’s Financial Report
 - Electronic .pdf copies of the Financial Report and related filings for the Winnetka Parks Foundation

District Information

A. Number of Funds

The District has the following number of funds by type:

<u>Type of Fund</u>	<u># of Funds</u>	<u># of Major Funds</u>	<u># with Adopted Budget</u>
General	1	1	1
Special Revenue	5	2	5
Debt Service	1	1	1
Capital Projects	1	1	1
Enterprise	4	4	4
Total	<u>12</u>	<u>9</u>	<u>12</u>

B. Financial Operations

Two full-time employees, including the Superintendent of Finance, staff the Business Department. The Business Department utilizes Tyler Technologies Incode 10 as its financial system software, Vermont Systems RecTrac 3.1 for its registration and POS systems, and Nettime Solutions for time management - all of which are accessed via a District-wide network. The District obtains its insurance (property, liability, workers compensation, etc.) through membership in the Park District Risk Management Agency (PDRMA).

C. Joint Ventures

The District is a member of Northern Suburban Special Recreation Association (NSSRA), a pool of thirteen suburban park districts and municipalities, which provides special recreation programs and services to patrons with special needs within the District.

D. Pension and Retirement Plans

The District's defined benefit pension, Illinois Municipal Retirement Fund (IMRF) provides retirement, disability and death benefits to plan members and beneficiaries.

E. Other Post-Employment Benefit Plans (OPEB)

The District provides post-employment health care benefits (OPEB) for retired employees eligible through a single-employer defined benefit plan. The benefits, benefit levels, employee contributions and any employer contributions are governed by ILCS and by the District.

Miscellaneous Considerations

The Superintendent of Finance will be responsible for coordinating completion of the annual audit.

The District has historically prepared as many audit worksheets and schedules as practical to reduce the clerical work to be performed by the independent auditor. The District also performs all fiscal year-end closing journal entries in an effort to eliminate audit adjustments. The District will also provide adjusted trial balances and confirmation letters.

Auditors are to provide a list of requested information to be prepared by District staff at least one month prior to the end of the audited fiscal year.

Workspace will be provided convenient to the Business Department. In addition, the District will provide access to a copier/scanner to facilitate testing. All other supplies and equipment needed to fulfill the services requirements are the responsibility of the firm.

Availability throughout the year for technical consultation.

An audit-planning meeting with the selected firm is to be held at least 30-45 days prior to the end of each audited fiscal year.

The District currently anticipates accepting a proposal at the regular Board meeting scheduled for Thursday, June 24, 2021 but may accept at a later meeting.

V - FIRM QUESTIONNAIRE

FIRM NAME _____

CONTACT NAME _____

EMAIL ADDRESS _____

ADDRESS _____

PHONE NUMBER _____

WHEN ORGANIZED _____

WHERE ORGANIZED _____

LICENSE NUMBER _____

NUMBER OF YEARS IN PRACTICE? _____

HAS THE FIRM EVER REFUSED A CONTRACT? _____

If yes, please submit details _____

HAS THE FIRM EVER DEFAULTED ON A CONTRACT? _____

If yes, please submit details _____

WHERE IS YOUR NEAREST OFFICE TO WINNETKA? _____

HOW MANY PEOPLE ARE EMPLOYED AT THIS OFFICE? _____

VI - PROPOSAL COST SUMMARY – WINNETKA PARK DISTRICT

The base proposal should be provided including the specific fees for each service listed below. I understand that the offer presented below is valid for a period of sixty (60) calendar days from the submission deadline of **Thursday, June 10, 2021 by 5:00 p.m.** as stated under *Section I. Call for Proposals*.

Firm Submitting Proposal: _____

Audit and Financial Services – Annual All-Inclusive Amount, NOT TO EXCEED:

<u>BASE PROPOSAL - WPD</u>	Fiscal Year Ending December ,		
	<u>2021</u>	<u>2022</u>	<u>2023</u>
Audit and CAFR	_____	_____	_____
State of Illinois Comptroller - Annual Financial Report	_____	_____	_____
TOTAL - BASE PROPOSAL	=====	=====	=====

<u>BASE PROPOSAL - WP FOUNDATION</u>	Fiscal Year Ending December ,		
	<u>2021</u>	<u>2022</u>	<u>2023</u>
Audit	_____	_____	_____
Winnetka Parks Foundation IRS Form 990 and Illinois Form AG 990 and related schedules	_____	_____	_____
TOTAL - BASE PROPOSAL	=====	=====	=====

Signature of Authorized Representative

Date

Typed/Printed Name