

December 15, 2017

SUBJECT: Request for Proposals - NJLM Professional Auditing Services And Tax Filings

The New Jersey State League of Municipalities is seeking proposals from qualified firms of Certified Public Accountants to audit and file corresponding tax returns for the New Jersey State League of Municipalities, the New Jersey League of Municipalities Educational Foundation, Inc. and the 222 West State Street Urban Renewal Corporation. The audits and tax returns will be based on financial statements for each entity for the fiscal year ending June 30, 2018. There will be an option of performing the same work for one (1) or two (2) subsequent years at the discretion of the Board of Directors of each of the organizations.

Your proposal should contain, but not be limited to the following considerations:

1. Eligibility - authorization by the State Board of Accountants to conduct audits and certified as a RMA.
2. Experience of your firm in relation to the scope of audits for local government, tax exempted organization and cash basis accounting.
3. A list of similar Non-Profits or pertinent accounts served by your firm.
4. Your staff assignments and availability to complete the audit on a timely basis.
 - Identify the partner assigned to the engagement.
 - Frequency of contact with fiscal personnel.
 - Identify the staff assigned to respond to questions within the scope of the engagement.
5. Audit firm staff stability history - what assurances can you provide regarding the assignment of your permanent personnel to the engagement.
6. Procedures used to transmit audit adjustments and the reasons for them along with management recommendations to the responsible personnel
7. Detailed audit plan.

Your fee proposal to conduct the basic audit function and tax filings, along with your fee schedule for additional services that may be required beyond the scope of the engagement. The proposal should also state that any increase in the fee will be immediately disclosed. This disclosure should include an estimation of the increased fees and the reason for the increase.

Such increases are only for extraordinary circumstances and upon approval of New Jersey State League of Municipalities, the New Jersey League of Municipalities Educational Foundation, Inc. and or the 222 West State Street Urban Renewal Corporation.

8. Estimated number of hours to complete the audit by classification of your employees, i.e. partners, senior, junior.
9. Proof that the firm is certified to conduct local government audits by the Board of Accountancy.

Upon request, we will provide the most recent copy of New Jersey State League of Municipalities, New Jersey League of Municipalities Educational Foundation, Inc. and the 222 West State Street Urban Renewal Corporation tax filings and audit reports ending June 2017.

The final decision of the selection of the firm to conduct the services will be made by the respective Board of Directors. The final agreement will be in the form of a written contract.

All questions and correspondence should be directed to Michael J. Darcy, CAE in writing at the above address or Mdarcy@njslom.org

We will look forward to receiving your proposals on or before noon 1/15/2018. We expect to make a decision by the end of February

Sincerely,

Michael J. Darcy, CAE
Executive Director
New Jersey League of Municipalities

Enclosure: Proposal Detail – Nature of Services
Also posted at <http://www.njslom.org/classifieds/index.html>

Proposal Detail – Nature of Services

Audit proposals will be accepted by Michael J. Darcy, CAE until noon., on 1/15/18. All proposals become the property of New Jersey State League of Municipalities.

All proposals will become part of the requester's files without obligation.

Nature of Services Required

1. Audit and State and Federal tax filings for fiscal year period July 1, 2017 through June 30, 2018 (One year) with option to extend the service contract.
2. Special reports/ schedules required:
 - NJLM - Schedule II (Copy available upon request)
4. Description of Entities: see also www.njslom.org and www.njlmef.org

***The New Jersey State League of Municipalities** is a voluntary association created to help communities do a better job of self-government through pooling information resources and brain power. It is authorized by State Statute and since 1915, has been serving local officials throughout the Garden State. All 565 municipalities are members of the League. Over 560 mayors and 13,000 elected and appointed officials of member municipalities are entitled to all of the services and privileges of the League. See also NJSLOM.ORG*

The New Jersey League of Municipalities Educational Foundation, Inc.

The purpose of the Foundation is to conduct, encourage and support educational programs that will serve local government officials and employees. At the same time, this work will add to the public knowledge and benefit all the citizens of New Jersey. See also NJLMEF.ORG

222 West State Street Urban Renewal Corporation

Owner/ operator of 15,000 sf office building and headquarters of NJLM; NJLMEF; and sub tenants.

5. Records to be audited
 - General ledger, assets ledger, general Journal.
6. Partial list of available manuals and information sources available during the audit:
 - Minutes of the board meetings.
 - Accounting function work description of General Ledger
 - Sage 50 Quantum Accounting Program
 - Entity Binder for use during Audit
 1. IRS Tax Classification
 2. Bylaws/Constitution
 3. Officers and Board List
 4. Internal Control
 - A budget is maintained and is available for examination.
7. A work area will be provided.

8. Report Review

- Prior to the submission of the completed audit reports the audit firm will be required to furnish an electronic draft of the audit reports for review and discussion.

9. Audit Schedule

NJLM

- Scheduling of the audit the second week of July.
- Pursuant to NJLM constitution/by laws, NJLM shall provide financial activities within 30 days of the close of the League's fiscal year June 30.
- Therefore we will require the schedule II portion of the audit report completed and sent to NJLM no later than eleven (11) weekdays from the date the audit begins. See example of this portion of the report on our web site at <http://www.njslom.org/annualreport/index.html>
- The complete audit report should follow within a reasonable amount of time (1-2 weeks) after the schedule II report.
- Tax filings should be reviewed in draft format by NJLM. Filings should be completed to be filed within the time allotted by State and Internal Revenue Service.

NJLMEF

- Scheduling of the audit the second week of July.
- Audit completed within 30 days of the close of NJLMEF fiscal year June 30.
- Tax filings should be reviewed in draft format by NJLMEF. Filings should be completed to be filed within the time allotted by State and Internal Revenue Service.

222URC

- Scheduling of the audit the second week of July.
- Audit completed within 30 days of the close of 222URC fiscal year June 30.
- Tax filings should be reviewed in draft format by NJLM. Filings should be completed to be filed within the time allotted by State and Internal Revenue Service.

Copies required for each entity

- a. Bound copies (*to be determined*)
- b. 1 electronic copy
- c. 1 disk

10. History

Last RFP was published 2013.

Last two year's completed audit/tax returns average cost for all three Entities \$13,750

Start date: Second week of July (Monday – Friday)

Days Spent In Office: Five (5) days

NJLM required Schedule II by: July 25th (*including draft review*)

11. The New Jersey State League of Municipalities, the New Jersey League of Municipalities Educational Foundation, Inc. and the 222 West State Street Urban Renewal Corporation Reserves the Right:

- To reject any and all proposals submitted.
- To request additional information from all proposers.