



## REQUEST FOR PROPOSALS FOR AUDIT SERVICES

**Issued: March 5, 2025, | Due: April 10, 2025**

The Municipal Review Committee (“the MRC”) is seeking proposals from qualified Certified Public Accounting Firms to audit its financial statements for the fiscal year ending December 31st, 2024. The MRC requests renewal options for fiscal years 2025 and 2026, with a third one (1) year renewal option for fiscal year 2028

### I. GENERAL INSTRUCTIONS

#### **A. Timeline for Selection & Project Completion**

The timing and sequence of events resulting from this Request for Proposals (RFP) will be determined by the MRC. The expected timeline is as follows:

- March 24, 2025: Questions/clarifications regarding RFP due by 12:00 PM EST.
- March 28: Addenda issued and posted on [mrcmaine.org](http://mrcmaine.org), by 1:00 PM EST.
- April 10: Submissions due by 5:00 PM EST.
- By April 23: Submissions reviewed; Winning respondent recommended to MRC Board of Directors at their scheduled regular meeting.
- By May 12: Winning respondent notified; contract negotiated.
- July 1, 2025: Date at which contract term will begin, pending approval of final contract by both parties.

#### **B. Submissions Format and Terms**

1. An electronic copy of the submission in PDF format shall be delivered via email to: Michael Carroll, Executive Director, Municipal Review Committee at: [mcarrollmrcmaine.org](mailto:mcarrollmrcmaine.org). The email subject heading should be “Municipal Review Committee Audit Service RFP response.”
2. Qualifications must be submitted to the MRC by the time and date specified in section I.A.

3. It is the respondent's responsibility to ensure that submissions are received prior to the specified closing date and time. Submissions received after the specified closing date and/or time may not be considered. The MRC shall not be responsible for the proper identification and handling of any qualifications submitted.
4. By submitting qualifications, a respondent is accepting the General Instructions, Terms and Conditions, and Evaluation and Selection Processes outlined in this RFP.

### **C. RFP Clarification and Pre-Submission Conference**

Questions and requests for clarification regarding this RFP must be directed via email to the person listed in Section I.B. Addenda will be issued, as needed, via email

## **II. SCOPE OF THE REQUEST FOR QUALIFICATIONS**

### **A. Introduction and Background**

The Municipal Review Committee (MRC), established in 1992, is a Maine non-profit Quasi-governmental organization dedicated to ensuring affordable, long-term, and environmentally sound disposal of municipal solid waste (MSW) for its members. MRC serves municipalities, refuse disposal districts, public waste disposal corporations, and other public entities in central and eastern Maine, managing MSW generated by households, businesses, and institutions.

Since 2013, the MRC has focused on developing a new advanced recycling facility in Hampden, Maine, to serve 115 municipalities. MRC operates on an annual balanced budget of around \$850,000, which it receives revenues to support, and has an additional 2.5 million in reserves and investments. The organization also owns an 88-acre site off Colebrook Road in Hampden, Maine, valued by the auditor at \$5,000,000.00, and a 10-percent ownership position in Municipal Waste Solutions LLC, valued at \$109,000 as calculated in the 2023 audit. MRC 2023 Audit can be viewed on our website under documents, [Audit Report & Financials – 2023](#). The MRC quarterly Asset Management Report for the Fourth Quarter of 2024 can be viewed under documents, [Asset Management Letter 4Q2024](#).

### **B. Scope of Work**

1. The MRC desires the auditor to express an opinion on the fair presentation of its general-purpose financial statements in conformity with general accounting principles.
2. The financial statements shall be evaluated for conformity with generally accepted accounting principles and for compliance with state and federal laws.
3. The audit shall be a financial and compliance review of all accounts and funds of the MRC.

4. The audit firm shall submit a written report containing an expression of opinion regarding the financial statements of the MRC.
5. The audit firm shall submit a management letter, which shall identify management and internal control weaknesses, if any, and propose steps to correct them.
6. The audit firm must work with MRC and their consultants to prepare the financial statements and supplementary schedules, including allocations of the value of cash accounts, investments and other assets among the member municipalities, in accordance with generally accepted accounting principles
7. The audit shall be conducted in compliance and satisfy in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).
8. The audit firm shall agree to make available its working papers upon request to meet any financial needs, or Federal and State requirements.
9. The auditor shall meet with the MRC's staff and consultant at the conclusion of the audit to review the auditor's findings. If requested, the auditors will make themselves available to present the completed auditor to the MRC Board of Directors at a regularly scheduled MRC board business meeting
10. The audit firm shall provide Three (3) printed copies of the auditor's report, the financial statements and schedules, and the management letter. An electronic version will also be provided.

### **III. QUALIFICATIONS PREPARATION AND SUBMISSION**

#### **D. Required Submission Content**

Responses to this RFP should include:

1. A summary of qualifications to perform a municipal and/or nonprofit organization audit.
2. A description of the audit firm and a summary of its prior experience.
3. Identification of the individual or project management team assigned to audit the MRC. The individual or team leader must have at least three years' municipal and/or nonprofit organization audit experience.
4. A list of local government and/or nonprofit entities to whom you are currently providing audit services, including names, addresses and phone numbers of your primary contact.
5. A summary of the methodology to be used in performing the audit which should include a brief description of the type of audit and audit procedures. This information should be presented in a format that enables the MRC to evaluate the firm's ability to identify, evaluate, and communicate on nonprofit financial problems.

6. A flat rate proposed for a fixed service offering, to include a chart of rates that would apply for any costs not covered under the fixed service proposal. The rate for the fixed service should be identified separately. The proposed fixed rate should be shown for years 2024, 2025 and 2026 audit completion.

The submission must include the following information supporting the respondent's expertise in providing the required services:

1. Proof of insurance at levels required in the Terms of this RFP.
2. The submission must be signed on a cover letter or elsewhere by the person submitting the submission or a duly authorized representative of the firm submitting the submission. The signature shall include the title of the individual signing the submission.

#### **IV. SUBMISSION EVALUATION**

The MRC's selection will be made by the Municipal Review Committee Board of Directors based on recommendations from the MRC Executive Director, Treasurer with input from the MRC private consultant. The MRC may request in-person visits, in, with one or more respondents. The selection will be based on the following criteria:

1. Firm's Qualifications: Does the respondent have the support capabilities, including personnel and technology, to complete the audit? Has the respondent successfully completed previous audits of this type and scope? – 20 Points
2. Personnel Qualifications: Do the people who will work on the audit have the necessary skills? Are enough skilled people assigned to the audit? – 20 Points
3. Experience: Did the respondent describe their approach to municipal & nonprofit audits – 20 Points
4. Cost: Did the respondent provide three fixed rates for completion and presentation of 2024, 2025 and 2026 audits. How do the rates compare to other submissions and the Municipal Review Committee's expectations? – 30 Points
5. Understanding: Does the respondent have a current understanding of Municipal Review Committee's financial practices, and any other factors – 10 Points

The MRC may, in its sole discretion, also consider additional factors or modify the criteria set forth above.

## **V. PROPOSAL ACCEPTANCE**

Any respondent whose submission is selected will be expected to sign an agreement with the MRC. The MRC reserves the right to reject any or all the submissions and to waive any deviations or irregularities at its sole discretion. Any submissions received after the deadline may be rejected.

The MRC may amend the terms or cancel this RFP any time prior to the execution of contracts for services if the MRC deems it to be necessary, appropriate, or otherwise in the best interests of the MRC. Failure to acknowledge receipt of amendments, in accordance with the instructions contained in the amendments, may result in a firm's response not being considered.

## **VI. TERMS AND CONDITIONS**

**AUTHORITY:** This Request for Proposals ("RFP") of offers for professional services is issued by and for the MRC.

**SCOPE:** The terms of this RFP apply in like force to this qualifications submission process and to any subsequent contract resulting therefrom.

**OWNERSHIP:** All responses to this RFP are to be the sole property of the MRC. Respondents are encouraged not to include proprietary information in their responses. All materials associated with this procurement process are subject to the terms of state laws defining freedom of information and privacy and all rules, regulations and interpretations resulting from those laws.

Any product, whether acceptable or unacceptable, developed under any agreement awarded resulting from the RFP is to be the sole property of the MRC.

**INVESTIGATION:** Respondents submitting qualifications shall make all investigations necessary to inform themselves regarding the services(s) requested and to be performed under this RFP and any resulting Agreement for Audit Services. A party's submission of qualifications is confirmation that the party has read and fully understands this RFP and any related documents.

**CLARIFICATION OF RFQ:** Firms who request a clarification of the RFP requirements must submit questions in writing via email in the manner and by the deadline specified in Section I of this RFP

been scheduled. All written questions must be received by the MRC no later than the date or time stated herein. Oral instructions or information concerning this RFP provided by the MRC or its employees and agents to prospective firms shall not bind the MRC or its committees.

**ADDENDA:** Any substantive change or clarification to this RFP will be made by written addendum issued as specified in Section I. The MRC is not responsible for any explanation, clarification, response, or approval made or given in any manner except by authorized addendum.

**ALTERNATE TERMS AND CONDITIONS:** Alternative terms and conditions are not encouraged and, unless explicitly accepted by the MRC, are rejected.

**COST OF PREPARING QUALIFICATIONS:** The MRC is not liable for any costs incurred in preparing and submitting responses to this RFP, including costs incurred in making and preparing necessary investigations, studies, or designs, or for procuring or contracting for services to be provided under this RFP.

**CANCELLATION:** The MRC or its authorized staff or Board of Directors reserve the right to modify, revise or cancel this RFP, without liability to any firm at its sole discretion. The receipt and review of submissions or the completion of interviews do not obligate the MRC or its authorized staff or committees to award a contract.

**LATE SUBMISSIONS:** Submissions received after the scheduled closing time for filing may be rejected by the MRC and its authorized staff and committees, without liability to a firm. Respondents assume responsibility for timely submissions in accordance with this RFP. The MRC and its authorized staff and committees shall have no obligation to consider late-filed submissions.

**SPECIFICATIONS AND STAFF ASSIGNMENT:** Firms must submit qualifications in accordance with the terms and conditions and the scope of services set forth in this RFP.

**PAYMENT:** Any payments to be made by the MRC from any subsequent agreement resulting from this RFP will be made by authorized personnel only.

**CONFLICT OF INTEREST:** A respondent submitting a submission thereby certifies that no elected or appointed official, agent or employee of the MRC who has a pecuniary interest in this RFP has participated in the preparation of this RFP or contract negotiations; that the submission is made in good faith without fraud; that the respondent is competing solely on its own behalf without connection or obligation to any undisclosed person or firm and that the respondent (including all subcontractors) is able to perform all the services specified in this RFP without any conflict of interest. A breach of this provision shall be deemed an anticipatory default under the terms of any contract issued in accordance with the RFP.

**ASSIGNMENT:** The selected respondent will be prohibited from assigning, transferring, conveying, subletting, or otherwise disposing of this agreement or its rights, title, or interest therein or its power to execute such agreement to any other firm, company or corporation without the previous consent and approval of the MRC Board.

**INSURANCE:** The selected firm shall be required to carry Professional Liability Insurance and General Liability Insurance. Submissions must specify the carrier, and coverage limits of no less than \$1,000,000 per occurrence. A certificate of insurance shall be provided to the MRC, providing that coverage shall not be cancelled without thirty days' notice.

**AWARD:** All agreements based on competitive qualifications will be awarded according to the RFP provisions. This RFP is not a commitment by the MRC to enter into an agreement for the services requested herein with any particular entity or firm. The MRC reserves the right, in its sole discretion, to withdraw this RFP at any time prior to entering into such an agreement and/or to reissue the RFP later if, in the MRC's sole estimate, it is in the best interest of the MRC to do so. The MRC and its authorized staff and committees reserve the right to reject any or all qualifications, wholly or in part, or to award multiple contracts in whole or in part, at its sole discretion. The MRC and its authorized staff and committees also reserve the right at its sole discretion to waive any deviations or errors that are not material, do not invalidate the legitimacy of the submission, and do not improve the firm's competitive position. All awards will be made in the best interest of the MRC.

**LICENSES:** The selected firm shall be responsible for obtaining and maintaining all necessary licenses, permits and authorizations to perform work in the United States, the State of Maine, and the MRC of Municipal Review Committee, at no cost to the MRC.

**PRICING:** The respondent agrees that its response will remain valid for ninety (90) days after the submission closing date and may be extended beyond that time by mutual agreement.

**COLLUSIVE BIDDING:** By submitting a response to this RFP, their signature on a submitted submission is a guarantee by the respondent that the prices quoted have been arrived at without collusion with other eligible contractors or any other persons or entities in a manner that has the effect, or potential effect, of precluding the MRC from obtaining the lowest possible competitive price.

**AUDIT REQUIREMENTS:** A firm that is awarded an agreement under this RFP shall maintain such records as are required by the MRC to allow the MRC to fulfill its reporting requirements to Federal, State, or any other government agencies. A successful firm shall allow the MRC or other agencies authorized by the MRC access to its records at reasonable hours, including all books, records, documents, and accounting procedures and practices relevant to the subject matter of the contract documents, for purposes of audit, for a minimum of six years.

**HOLD HARMLESS CLAUSE:** The selected firm shall indemnify the MRC of from all suits, actions or claims of any kind brought on account of any injuries or damages sustained by any person in consequence of any negligence in performing contract work, or on account of any act of commission by the firm or its employees, or from any claims or amounts arising or uncovered under any law, bylaw, ordinance, regulation, or decree, violated by such firm.

**JURISDICTION:** The venue for any legal action or proceeding arising from this RFP and any resulting Agreement for Audit Services shall be primarily by mediation or in a court of competent jurisdiction in Penobscot County, Maine, without regard to conflicts of law principles.