LOWER GWYNEDD TOWNSHIP
MONTGOMERY COUNTY, PENNSYLVANIA

REQUEST FOR PROPOSALS FOR INDEPENDENT AUDITOR FOR FY 2025-2027

I. GENERAL INFORMATION

Lower Gwynedd Township ("Township") is requesting proposals from certified public accounting firms registered in Pennsylvania to serve as the independent appointed auditor for fiscal years 2025-2027.

Submit proposals and any questions about the RFP to Melinda Haldeman, Finance Director, at mhaldeman@lowergwynedd.org. Questions will be answered in writing and distributed to all respondents.

The proposal must be received no later than Thursday, November 20, 2025, by 4:00pm.

II. BACKGROUND

Lower Gwynedd is a second-class township, governed by a five-member elected Board of Supervisors. The community's 9.4 square miles in central Montgomery County, Pennsylvania are home to just over 12,000 residents. There are currently 27 full-time and 8 part-time non-uniformed employees and 22 police officers.

The Township's 2025 budget is $13,350,941. For the first time in a number of years, the Township has debt obligations from a 2024 bond issuance. Subsequent bond issuances are anticipated in the next couple of years to fund construction of a planned Public Works Building. The Township's accounting practices conform to generally accepted accounting principles for governmental units and Government Accounting Standards Board (GASB) guidance. The accounting system is composed of a general ledger and various subsidiary ledgers using Munis financial software.

The Finance Director and staff are responsible for providing all financial records and related information to the firm and are responsible for its accuracy. The Township will provide a suitable work area with access to a copier, telephone, and wireless internet for the auditor.

III. SCOPE OF WORK

1. Conduct annual audits and issue reports for the fiscal years ending December 31, 2025, 2026, and 2027. The audit shall be conducted in accordance with United States Generally Accepted Auditing Standards and promulgations of the Government Accounting Standards Board. The auditor shall communicate to management and the Board of Supervisors any significant deficiencies or material weaknesses that became known during the course of the audit. Any suggestions for improvement shall be submitted to the Township Manager by issuance of a Management Letter.

   A. The auditor shall submit an electronic draft of the annual audit report and the General-Purpose Financial Statements to the Township no later than May 1 and present the draft audit at a public meeting of the Township's Board of Elected Auditors.

   B. The auditor shall complete the final audit report and the General-Purpose Financial Statements and deliver an electronic copy of Final Audited Financial Statement to the Township no later than June 1 and present the final audit at a public meeting of the Township's Board of Supervisors.

2. Complete the Municipal Annual Audit and Financial Report and file it with the PA Department of Community and Economic Development, PA Department of Transportation, and Montgomery County by the state deadline as required by the PA Second-Class Township Code.

3. Upon completion of the audited financial statement, provide the Concise Financial Statement for total assets, liabilities, and net position and total revenue, expenses, and changes in net position for newspaper publication.

4. Additional Services

   A. It is expected that the firm will be available throughout the year for routine questions concerning accounting issues, procedures, GASB statements, and other financial matters as appropriate at no additional cost.

   B. Any other projects, such as a Single Audit (which is not required at this time) or an audit of the records of the elected tax collector when that person leaves office, will be discussed and negotiated separately.

IV. Proposal Elements

The following are required elements to be submitted with all proposals. Supplemental information may also be included if so desired.

1. Transmittal Letter – Include a letter signed by an authorized representative of the firm who may enter into a service agreement on behalf of the firm.

2. Firm Qualifications and Experience - Describe any factors that are relevant to the firm's ability to successfully perform this engagement. At a minimum, include details about the firm's governmental experience, the size of the firm, the size of the firm's governmental auditing staff, affirmation that the proposer is a CPA or firm of CPAs and meets the independence standards of the General Accountability Office's Government Auditing Standards, and affirmation that the firm and all assigned key professional staff are properly licensed to practice in Pennsylvania.

   - Also state if the firm has ever had a contract terminated by any federal, state, or local government or private entity. If any of the previous has occurred, please provide details of such matters with the proposal.
   - Include a copy of the firm's most recent Peer Review report.

3. Audit Team Qualifications and Experience - Identify the audit staff that are to be assigned to this engagement which will include, at a minimum, a partner and a senior accountant, and describe their relevant qualifications and experience. Include a breakdown of the percentage of work that will be performed by each staffing level; (i.e., each for partner, supervisor, director, etc. that will work on the audit), as well as:

   - Specify who will serve as the lead auditor and primary point of contact if the firm is selected.
   - Describe the experience and qualifications of the lead auditor to fulfill the scope of services described above.
   - Confirm all on-site work will be staffed with a senior accountant at a minimum.
   - Describe the experience and qualifications of any other key staff who may work on the audit, including the specific roles that each person would be expected to play.

- Provide detailed resumes for each of the auditors/accountants whose experience is summarized above, including evidence of license to practice as a Certified Public Accountant in Pennsylvania where appropriate.
- Describe the team's approach to service delivery, and an explanation of how tasks and projects are managed to ensure timely response and completion.
- Include any other information about the firm or listed auditors that could be relevant.

4. Relevant Experience
    - List the firm's current or recent comparable work with other PA municipalities.
    - Provide a list of municipal references with a description of the services provided by the firm for each reference, as well as contact information for individuals who are able to speak knowledgeably about the quality of the firm's work as appointed auditor.

5. Specific Audit Approach - Set forth a work plan for performing the services required in this RFP, including an explanation of the audit methodology to be followed and a schedule indicating when data should be available from Township staff, the audit will be completed and required reports will be submitted.

6. Insurance - Detail the firm's professional liability insurance coverage applicable to the scope of services above and include insurance certificates summarizing such insurance coverage.

7. Indemnification – include an affirmation that the firm will hold Lower Gwynedd Township harmless for any claims, losses or damage arising out of the performance of the work.

8. Price – Include an annual total not-to-exceed price to perform the audit as described above.

V. SELECTION PROCESS

The Board, Township Manager, and Finance Director will evaluate the submitted proposals and, at their discretion, conduct interviews with some or all of the submitting firms. If interviews are conducted, they will take place on Zoom or in person at the Lower Gwynedd Township Building. Candidates will be notified of an interview date as applicable. The Board will make a final selection using criteria judged to be of maximum benefit to the Township as a whole. Note that the lowest price proposal will not necessarily be selected. Technical components will be weighed in addition to costs to ensure the Township is procuring the best value.

The Board's intention is to select an auditor by the end of the year to ensure the appointment can be made at the Board of Supervisors' organization meeting on January 5, 2026. The resulting contract will include this RFP, any clarifications or addenda thereto, the selected firm's proposal, and any changes agreed to by the Board and the firm.

The Township reserves the right to request clarifying information subsequent to submission of any proposal and to waive any minor informality in the RFP. The Township reserves the right to reject any or all proposals if they fail to satisfy the Township that a firm is properly qualified to carry out the scope of work in the RFP.