



Request for Proposals

Financial and Compliance Auditing Services

RFP# 25-004

Due Date/Time:
December 8, 2025, at 10:00 am EST

Assistant City Manager
Town of Mount Carmel
100 E. Main Street
Mount Carmel, Tennessee 37645
(423) 357-7311

tyler.williams@mountcarmeltn.gov

I. Project Summary

The Town of Mount Carmel ("Town") has issued this request for proposals to interested auditors, who are qualified under state law and regulations, for the performance of a financial and compliance audit (including the Municipal Chart of Accounts Crosswalk) of the Town in accordance with the requirements of the laws and/or requirements of the State of Tennessee.

II. Project Schedule

	<u>Date</u>
RFP Published	November 5, 2025
Proposals Due	December 8, 2025- 10am EST
Review and Selection	Week of December 8, 2025
Anticipated Award	December 18, 2025

III. Scope

The audit will examine the financial statements and records of all funds and account groups and grant contracts of the Town for the fiscal year ending June 30, 2026, with four annual renewal options at the Town's discretion for the fiscal years ending June 30, 2027; June 30, 2028; June 30, 2029; and June 30, 2030.

IV. Type of Audit

The audit will be a financial and compliance audit and will be conducted in accordance with generally accepted auditing standards adopted by the American Institute of Certified Public Accountants, and Government Auditing Standards (latest revision) adopted by the Comptroller General of the United States and those prescribed by the Comptroller of the Treasury of the State of Tennessee. Furthermore, the audit will be conducted in accordance with all guidelines as specified in the Single Audit Act and U.S. Office of Management and Budget (OMB) Circular A-133 and any other applicable federal management circular, as applicable.

The audit contract must be submitted and executed through the Contract and Report System (CARS), which can be accessed on the web at <https://apps.cot.tn.gov/CARS/>, no later than June 30th of the year to be audited.

The auditor should provide, upon request, technical advice related to the application of accounting and auditing standards, provided such assistance does not impair independence under Government Auditing Standards.

V. General Requirements

1. The audit shall begin prior to July 1, 2026, and the reports shall be submitted prior to December 31, 2026, but in no case later than six (6) months after the fiscal year end.
2. Preliminary testing and procedures shall be conducted at a mutually agreeable time.
3. The onsite fieldwork phase of the audit shall commence within the month of September. The audit will be conducted on Town premises. The Town will provide space deemed adequate by the auditor to efficiently conduct the audit.

- The records of the Town will not be removed from city offices except with express written permission of the Town Recorder.
4. In the event that circumstances arise during the audit that require work to be performed above original estimates, such costs will be negotiated prior to commencement of said work.
 5. The auditor shall retain the working papers for no less than five years, and they shall be available for review by the Comptroller of the Treasury or a designated representative. Pertinent data from the working papers shall be available for five years for reference if requested by the Town.
 6. The auditor shall submit to the Town's governing body a printed report of the audit. This report shall contain an expression of opinions on the financial statements required by GASB Statement No. 34 and on the combined, combining, and individual funds opinions that said statements are fairly stated, or opinions as to certain funds or items in the financial statements, or a disclaimer of opinions and the reasons, therefore.
 7. 12 Copies of the report will be furnished to the Town's governing body and administrators.
 8. An audit exit conference with the Town Manager and the Town Recorder of the will be conducted by the auditor in charge. At this time the findings and recommendations regarding compliance and internal control shall be discussed. The Town official or a designee shall have the opportunity to respond, orally or in writing, on the findings. Any such written responses shall be included in the audit report.
 9. The audit firm shall state its willingness to enter into a contract for one year, renewable annually for each of the next four years by the Town.

VI. General Information

The Town shall have closed and balanced all accounts and shall have prepared financial statements for all funds to be examined by the auditor by September 1.

Details related to the number of funds maintained by the Town and a summary of the activities of these funds can be found on Exhibit A of this RFP. The Town's general ledger, property tax, purchasing, and payroll systems are maintained on/by Local Government Corporation/NextGen.

If additional information is required prior to submitting a proposal, inquiries should be directed to Tyler Williams, Assistant Town Manager/CFO, 100 Main Street E., Mount Carmel, TN 37645; tyler.williams@mountcarmeltn.gov; (423) 849-1861.

VII. Proposal Format

The proposal may be styled at the discretion of the submitter; however, at a minimum it must address the following areas:

1. Nature and extent of the firm's governmental auditing experience.
2. Nature of the firm's relationship with the State of Tennessee Division of Local Government Audit, if any.
3. A copy of the audit firm's most recent external quality control review report.
4. Organization size and structure of the firm. Include qualifications of staff to be assigned to work: this will be determined from resumes submitted. Education, position in firm and years and types of experience will be considered.

5. Type and level of training provided to the firm's staff. Assurance that all audit staff assigned to the audit have obtained the necessary hours of continuing professional education required by Government Auditing Standards.
6. A list of references from other local government clients.
7. A signed proposal form must be included with the audit fee quoted as either a fixed amount or rate per hour, with total estimated hours. If the latter method is used, a maximum amount must be stated for budgetary purposes. Also, include any estimated incidental expenses.

VIII. Selection Process

Proposals will be evaluated by a review committee. Considerations for award shall include, but not limited to: experience, qualifications, availability and fee structure. All respondents must initially represent themselves solely by their written submittal. Based upon the review committee's findings, the finalist may be requested to provide additional information.

The Town reserves the right to ask any respondent firm to make a presentation to the review committee. The purpose of this interview is to clarify the qualifications of the respondents and allow the Committee to verify its evaluation.

This RFP does not commit the Town to award a contract.

The Town, by its governing regulations, reserves the right to accept or reject any or all RFPs received, to waive any informalities in submission, and to re-advertise.

IX. Proposal Submission

Proposers must submit a complete response to this RFP using the format provided.

Proposer can submit electronically via email to: tyler.williams@mountcarmeltn.gov.

Proposer may also place a hard copy submittal response in a sealed envelope plainly identified on the outside with vendor name, proposal name and number, and any information required by law. If submitting paper copies, submit 5 copies of the entire proposal. Vendor responsible for delivery to Town of Mount Carmel, TN; ATTN: Tyler Williams, Assistant Town Manager/CFO; 100 Main Street E., Mount Carmel, TN 37645 on or before the proposal deadline of December 8, 2025, 10am ET at which time it will be publicly opened.

Late proposals will not be considered.

No submitted bids may be withdrawn for a period of sixty (60) days after the scheduled closing time for receipt of bids.

X. Open Records

Please note that any and all documents submitted to the Town that are associated with this project are subject to the Tennessee Public Records Act. Access to the record is governed by the Tennessee Public Records Act and the policies of the Town and the Tennessee Comptroller Office of Open Records Counsel.



EXHIBIT A

ADDITIONAL INFORMATION TOWN OF MOUNT CARMEL, TN

Population: 5,549

FY 25/26 Budget:
General Fund: \$ 5,521,936

Sewer Fund: \$ 1,315,850

Drug Fund: \$37,500

Accounting Information:
Number of Funds: 3
Bank Accounts: 12

Payroll:
Number of employees: 30
FT: 17
PT:13

Frequency of pay: Bi-weekly

Utilities:
Sewer Customers: 2,022

Property Tax:
Number of parcels: 2,152