



City of Roanoke Rapids

PO Box 38 | 1040 Roanoke Avenue
Roanoke Rapids, NC 27870

City of Roanoke Rapids' Request for Proposal (RFP) To Provide Audit Services

Responses Due: Wednesday, May 13, 2026 by 3:00 p.m.

Contact:

Carmen Johnson, Finance Director
1040 Roanoke Avenue (P.O. Box 38)
Roanoke Rapids, NC 27870
252-533-2871
cjohnson@roanokerapidsnc.gov

Request for Proposal

The City of Roanoke Rapids, North Carolina (hereinafter called the “City”) invites qualified independent auditors (hereinafter called “auditor”) having sufficient governmental accounting and auditing experience in performing an audit in accordance with the specifications outlined in this Request for Proposal (RFP) to submit a proposal.

There is no expressed or implied obligation for the City of Roanoke Rapids to reimburse firms for any expenses incurred in preparing proposals in response to this request.

The specific details shown herein shall be considered minimum unless otherwise shown. The specifications, terms, and conditions included with this RFP shall govern in any resulting contract(s) unless approved otherwise in writing by the City of Roanoke Rapids. The bidder consents to personal jurisdiction and venue in a state court of competent jurisdiction in Halifax County, North Carolina.

Type of Audit

1. The audit will encompass a financial and compliance examination of the unit’s Comprehensive Annual Financial Report (CAFR) in accordance with the laws and/or regulations of the State of North Carolina, which include requirements for the minimum scope of the audit. The financial and compliance audit will cover federal, state, and local funding sources in accordance with generally accepted auditing standards; Government Auditing Standards, July 2018 revisions; the provisions of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), the State Single Audit Implementation Act; and all other applicable laws and regulations.

2. The scope of the audit and all fee quotes presented should include all approved and known pronouncements through the date of proposal submission. This includes, but is not limited to, the Governmental Accounting Standards Board (GASB) statements and Government Auditing Standards. Although some pronouncements will not be in effect until after the first year of the audit, estimates for future years should include pronouncements that will become effective during that contract period. The audit firm will be expected to advise appropriate City staff on the applicability of accounting and reporting standards as they become effective.

3. The financial audit opinion will cover the financial statements for the governmental activities, the business-type activities, each major fund, discretely presented component units (as applicable) and the remaining fund information, which collectively constitutes the basic financial statements. The combining and individual financial statements, schedules, and related information are not necessary for fair presentation, but will be presented as additional analytical data. This supplemental information, as required by GASB 103 , will be subjected to the tests and other auditing procedures applied in the audit of the basic financial statements, and an opinion will be given as to whether the supplemental information is fairly stated in all material respects in relation to the basic financial statements taken as a whole. The auditor shall express an opinion on the budgetary comparison information for the General Fund, annually budgeted major and special revenue funds. An opinion will not be given on the Management Discussion and Analysis.

The working papers shall be retained and made available upon request for no less than three years from the date of the Audit report.

4. The audit will also include the following:

- a. Pre-planning conference with Finance staff where both the auditor and Finance staff discuss their expectations of the audit.
- b. Interim audit work prior to June 30th and/or prior to final close.
- c. Attendance at the City Council meeting in January for presentation of the financial statements by Auditor with comments and potential questions from the Board as requested. The Council meeting is typically held on the 1st and 3rd Tuesday of each month at 5:30 PM.

5. The audit should encompass all funds and entity-wide activities as reported in the City's Comprehensive Annual Financial Report (CAFR) at June 30, 2026 and any additional funds or entity-wide activities that may be added subsequent to that date.

6. If required, the audit firm will issue a management letter to the City Council after completion of the audit and assist management in implementing recommendations, as is practical. City staff also request that an informal letter be addressed to the Finance Officer with any efficiency, internal control or accounting improvements that could be made based on the audit staff's observation during their fieldwork. All content must be discussed with the Finance Officer prior to issuance. The audit firm is encouraged to discuss the content while the management letter is in draft form to ensure that all parties fully understand the circumstances that lead to auditor comments.

7. The Auditor will be responsible for the completion of certain schedules/documents as to proper format and content, including the Basic Financial Statements, supplementary information and compliance reports such as the AIFR. The Auditor will also prepare the MD&A. Guidance may be required for new note disclosures, all outstanding and effective authoritative standards and other reporting requirements at June 30 year-end. Cost for providing these services should be included in the auditor's base fee quote and will not be considered extra for additional billings. In cases, however, where services requested would require a more in-depth scope and require work significantly above the original fee quote, such additional fees must be negotiated prior to commencement of work.

Auditor Requirements

The audit firm is considered to be an independent contractor and will be wholly responsible for the services and the supervision of its own employees and permitted sub-contractors.

A planning meeting will be held each year to determine estimated timeframes that will be established and interim audit work will be planned. Adequate notification will be given prior to any changes in estimated times.

If the City of Roanoke Rapids audit engagement is subject to the standards for audit as defined in Government Auditing Standards, 2018 revisions, issued by the Comptroller General of the United States, then by accepting this engagement, the Auditor warrants that he has met the requirements for a peer review and continuing education as specified in Government Auditing Standards. **The Auditor must provide a copy of their most recent peer review report with their proposal.**

The City staff will prepare all standard year-end accruals and other adjusting journal entries. The Auditor will prepare the government wide year-end adjusting journal entries as well as any necessary entries to allocate the state pension balances. The City shall designate an individual, such as the

Finance Officer, with the suitable skills, knowledge, and/or experience (SKE) necessary to oversee the services and accept responsibility for the results of the services performed. The City management will ultimately be responsible for the preparation and fair presentation of the financial statements, which includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements. The Auditor will do the preparation, typing, proofing, printing, and copying of the Basic Financial Statements, supplementary information and compliance reports such as the AIFR. The Auditor will prepare the MD&A. A preliminary draft of the audit and required adjusting journal entries must be submitted to the Finance Officer by December 1st for proofing and reconciliation to the City's records to allow ample time for review and corrections before it is sent to the Local Government Commission. The City of Roanoke Rapids' Finance Officer will return the draft to the Financial Statement Preparer with proposed revisions within 10 working days. The financial statement preparer will be ultimately responsible for the preparation, typing, proofing, printing, and copying of the Basic Financial Statement, supplementary information and all applicable compliance reports.

Meeting LGC deadlines is a high priority for the City. Therefore, City of Roanoke Rapids prefers interim fieldwork be completed in March. Year-end fieldwork should begin October 1st and be completed by October 31st. An agreed upon post-closing trial balance must exist by November 10th. The Finance Officer will expect a listing of requested information needed for the audit at the preplanning conference, periodic conferences during the conduct of the audit, as well as an exit conference prior to the completion of fieldwork.

The timing of the draft and review should insure final completion of the Financial Statements by November 30th. For every week the audit is late due to no fault of the City of Roanoke Rapids, there will be a reduction in the audit fee of \$100.00.

The auditor is responsible for completing the required data input sheet and electronically submitting the final Audit report/ CAFR as a text-based PDF file to the State & Local Government Financial Division when (or prior to) submitting the final invoice for audit services rendered to the Commission.

In the event that circumstances arise during the audit that require work to be performed in excess of the original estimates, any additional costs will be negotiated prior to commencement of the work and an amended contract will be approved by the governing board and forwarded to the staff of the LGC for approval.

Either the manager or partner of the audit staff is required to present and attend the City Council meeting in which the Audit report is presented. Required communications to the Council can be delivered at this point, as well as general comments regarding the audit process and the results of the audit. Finance staff will coordinate this presentation and determine the date and time of the meeting, typically held in January following the audit completion.

Audit Contract: Period & Payment of Audit Fees

The City intends to continue the relationship with the auditor for no less than three (3) years starting with fiscal year ending June 30, 2026. Continuation after the first-year contract will be based on an annual review of the Auditor, recommendation of the department staff, satisfactory negotiation of terms (including price), and availability of an appropriation. Each year after negotiation has taken place an annual contract documenting the terms of the audit will be signed. Since one governing board may not obligate future governing boards, the remaining years of the agreement are subject to annual governing board approval. After the initial three-year period, an annual extension may be granted by the City based on the above-mentioned criteria and City Council (Board) concurrence for up to two additional years or until a determination is made to request new proposals. The years identified under

this RFP are:

July 1, 2025 to June 30, 2026
July 1, 2026 to June 30, 2027
July 1, 2027 to June 30, 2028

The required current revision of the form "Contract to Audit Accounts" (form LGC-205) is required to be executed as the contract document; however, the auditor and the City may also execute an engagement letter and/or a City contract to include additional terms not addressed in the LGC-205. The entire audit contract package must be approved by the staff of the Local Government Commission. Invoices are subject to approval by the LGC prior to payment by the City. Interim or progress billings for services rendered marked approved by the LGC will be paid up to 75% of the total fee prior to submission of the final audited financial statements to the staff of the Local Government Commission. The final 25% of the Audit fees (final invoice) will be paid when the financial statements, single audit (if applicable), management letter and amended contract (if applicable) have been reviewed or approved by the LGC.

The LGC only approves invoices for audit related work. Requests for payment related to any additional agreed upon services do not require LGC approval. Final invoices for these services will be paid after the final report results and findings have been reviewed and deemed satisfactory by City staff.

Description of Selection Process

The City requests that no City officials be contacted during this proposal process. Submit questions regarding the RFP in writing via email to cjohnson@roanokerapidsnc.gov. Any additional information disclosed to participating audit firms prior to bid submission will be shared with all interested parties

Proposals must be submitted in two sections and must be physically signed by an authorized representative of the Audit firm. The first section will be comprised of the audit firm's prior experience and qualifications of its personnel in performing governmental audits. The second section will consist of completed cost estimate sheets. The Finance Office staff will evaluate the auditor/firm on educational and technical qualifications. The firm best meeting the City's expectations for experience, audit approach, and cost requirements will be selected.

Please keep in mind that cost, while an important factor will not be a sole determining factor. Unusually low bids that are obviously out of line with other bidders or are significantly lower than our current fees will raise concern. The lowest bid will not automatically be awarded preferential consideration.

The City reserves the right to reject any or all bids, waive technicalities, and to be the sole judge of suitability of the services for its intended use and further specifically reserve the right to make the award in the best interest of the City.

Failure to respond to any requirements outlined in the RFP, or failure to enclose copies of the required documents, may disqualify the bid. Firms must be registered with the North Carolina State Board of CPA Examiners.

Section 1 - Profile of the Firm

The first section should address the requested information below. The corresponding responses should begin with the number below for the requested information.

1. Indicate the Audit firm's North Carolina office location(s) that will handle the audit.
2. Indicate the number of people (by level) located within the Audit firms local office that will handle the audit.
3. Provide a list of the audit firms' local office's current and prior government audit clients, indicating the type(s) of services performed and the number of years served for each.
4. Indicate the experience of the local office in providing additional services to government clients by listing the name of each government, the type(s) of service performed, and the year(s) of engagement.
5. Describe your audit organization's participation in AICPA sponsored or comparable quality control programs (peer review). Provide a copy of the firm's current peer review.
6. Describe the professional experience in governmental audits of each senior and higher level person assigned to the audit, the years on each job, and his/her position while on each audit. Indicate the percentages of time each senior and higher-level personnel will be on site.
7. Describe the relevant experience and education with the new GASBS reporting requirements, seminars and courses attended within the past three years. Courses in governmental accounting and auditing should be clearly communicated.
8. Describe the professional experience of assigned individuals in auditing relevant government organizations, programs, activities, or functions (e.g., Water/Sewer service functions).
9. Describe any specialized skills, training, or background in public finance of assigned individuals. This may include participation in State or national professional organizations, speaker or instructor roles in conferences or seminars, or authorship of articles and books.
10. Provide names, addresses, and telephone numbers of personnel of current and prior governmental audit clients who may be contracted for a reference.
11. Describe the firm's Statement of Policy and Procedures regarding Independence under Government Auditing Standards (Yellow Book), July 2018 Revision. Provide a copy of the firm's Statement of Policy and Procedures.
12. Is the firm adequately insured to cover claims? Describe liability insurance coverage arrangements.
13. Describe any regulatory action taken by any oversight body against the proposing audit organization or local office.
14. Comment on your knowledge of and relationship with the NC Local Government Commission and the University of North Carolina School of Government in Chapel Hill.

Section 2 – Audit Approach and Cost Estimate

Proposals should include completed cost estimate sheets and any other necessary cost information in a separate, sealed envelope marked – “Cost Estimate.” The City will evaluate the qualifications of all firms submitting proposals before considering the Cost Estimate.

1. Type of audit program used (tailor-made, standard government, or standard commercial).
2. Use of statistical sampling.
3. Use of automated processes and internal control testing methods
4. Use of computer audit specialists.
5. Organization of the audit team and the approximate percentage of time spent on the audit by each member.
6. Information that will be contained in the management letter.
7. Assistance expected from the government’s staff, if other than outlined in the RFP.
8. Tentative schedule for completing the audit within the specified deadlines of the RFP.
9. Specify costs using the format below for the audit year July 1, 2025 to June 30, 2026. For the two audit years, which follow, list the estimated costs. The cost for the audit year ending June 30, 2026 is binding, while the second and third years are estimated costs. Cost estimates must indicate the basis for the charges and whether the amount is a “not-to- exceed” amount.
 - A. Audit firm personnel costs – Itemize the following for each category of personnel (partner, manager, senior, staff accountants, clerical, etc.) with the different rates per hour.
 - Estimated hours: please categorize estimated hours into the following: interim work, year-end work, and financial statement preparation and compliance reports work.
 - Rate per hour.
 - Total cost for each category of personnel and for all personnel costs in total.
 - B. Travel – itemize transportation and other travel costs separately.
 - C. Cost of supplies and materials – itemize.
 - D. Other costs – completely identify and itemize.
 - If applicable, note your method of determining increases in audit costs on a year to year basis
10. Please list any other information the firm may wish to provide.
11. Please include the Summary of Audit Costs Sheet with your proposal.

Time Schedule for Awarding the Contract

RFP Release Date	<i>April 13, 2026</i>
Deadline for RFP Questions *	<i>April 27, 2026 by 5:00 pm</i>
Questions to be Answered No Later Than	<i>May 1, 2026 by 5pm</i>
Deadline for Receipt of Proposals **	<i>May 13, 2026 by 3:00 pm</i> City of Roanoke Rapids, Finance Department Attn: Carmen Johnson, Finance Officer 1040 Roanoke Ave (PO Box 38) Roanoke Rapids, NC 27870
Notice of Recommended Firm	<i>May 15, 2026</i>
Council Approval	<i>May 19, 2026</i>

*Any questions should be directed to Carmen Johnson, Finance Officer, at (252) 533-2841 or cjohnson@roanokerapidsnc.gov. Appointments may be scheduled to discuss further any specific matters necessary in preparing your proposal.

** Proposals can either be submitted electronically (email) to cjohnson@roanokerapidsnc.gov or on paper by May 13, 2026 by 3:00 pm. Envelopes containing proposals on paper should be clearly identified on the front with the words "RESPONSE TO RFP FOR AUDIT SERVICES".

- Please note your email should include two separate pdf attachments for sections 1 and 2
- Envelopes should include Three copies of the bound proposal (clearly separating section 1 and 2) should be delivered to: City Hall, Attn: Finance Department, 1040 Roanoke Avenue, Roanoke Rapids, NC 27870

City of Roanoke Rapids reserves the right to request additional information deemed necessary to aid in the selection process.

The evaluation and selection criteria and process contained in this RFP will be used by the Review Committee, consisting of the City Manager, Finance Director, Deputy Finance Director and Purchasing Agent, to evaluate the Proposals. The Finance Director plans to report the evaluation outcome to the City Council and seek the City of Roanoke Rapids City Council's concurrence and authorization to consider entering into an agreement with the selected Prospective Auditing Firm at the May 19, 2026 Council meeting. The City will enter into a contract with the Prospective Auditing Firm that is selected by the City of Roanoke Rapids City Council.

Description of the Governmental Entity and Its Accounting System

Reference should be made to the most recent CAFR/Audit report for a general overview of the City. A PDF copy of the most recent CAFR/Audit report is located on the City's website see below or by

emailing cjohnson@roanokerapidsnc.gov.
www.roanokerapidsnc.gov

Funds

City of Roanoke Rapids maintains the following funds:

Governmental Funds:

- General Fund
- Police Evidence Fund
- Drug Enforcement Fund
- Capital Outlay
- Fixed Assets

Proprietary Funds

- Enterprise Funds: Solid Waste Fund

Grants, Entitlements, and Shared Revenues

A copy of the Schedule of Federal and State Expenditures and a Summary of Auditor's Results showing the major programs for the year ended 2025 can be found in the CAFR (OR AUDIT REPORT) located on the City's website.

Budgets

The City annual budget is adopted for the General Fund, Police Evidence Fund, Drug Enforcement Funds, Capital Outlay, Fixed Assets and one enterprise fund, Multi Year project ordinances are prepared for Capital Project funds throughout the year.

All budgets are prepared using the modified accrual basis of accounting. All appropriations for annually budgeted funds are made at the departmental level and at the project level for the multi-year funds. The City also maintains an encumbrance system. Both the budgetary and encumbrance systems are integrated with the accounting system to provide comparison with actual expenditures.

Accounting Records

The City maintains all its accounting records at the finance office located at 1040 Roanoke Avenue, Roanoke Rapids, NC 27870. All accounting journals and subsidiary ledgers are maintained on OpenGov Financials software.

Assistance Available to Auditor

The City has designated the Finance Director as the person with suitable skills, knowledge, and/or experience necessary to oversee the services and accept responsibility for the results of the services performed. An electronic version of the trial balance with budgeted amounts will be made available

October 1st. The following accounting procedures will be completed and documents prepared by the City's staff no later than October 1st.

- The books of account will be fully balanced.
- All subsidiary ledgers will be reconciled to control accounts.
- All bank account reconciliation's for each month will be completed.

The City's personnel will prepare the following items:

General

1. Working Balance Sheet for each fund.
2. Working Statement of Revenues, Expenditures, and Transfers for each fund.
3. Working Statement of Cash Flows where required.
4. General Ledger transaction detail report for each account.
5. A copy of the original budget, all amendments, and the final budget as of June 30, 20xx.
6. A copy of all project ordinances and all amendments for active projects during the audit period.
7. A copy of board policies, including travel and investment policies, debt policies, fund balance policies and purchasing policies including how the pre-audit process is performed.
8. Copies of all signed Board meeting minutes.
9. Copies of all correspondence with the staff of the Local Government Commission, including semiannual Cash and Investment Reports (LGC-203), unit letters, letters regarding the audited financial statements and compliance reports for the previous year.
10. Required supplementary information, e.g. actuarial information for the Law Enforcement Officers' Separation Allowance and Other Postemployment Benefits (OPEB)

Cash and Investments

1. All bank reconciliations for each month.
2. List of outstanding checks by account, showing check number, date, and amount.
3. Schedule of all investments for all funds at the audit date, showing book value and estimated market value at fiscal year-end.

Receivables

1. Listing of unpaid tax bills in detail totaled by year as of fiscal year end.
2. Listing of outstanding receivables by account as of the fiscal year end.
3. Listing of outstanding receivables in detail as of the fiscal year end.
4. Schedule of miscellaneous receivables booked as of the fiscal year end.

Other Assets

1. Schedule of insurance coverage.

Capital Assets

1. Listing of all capital assets
2. Printout of all capital asset acquisitions made during the audit year.
3. Printout of all capital asset dispositions made during the audit year.

4. Printout of depreciation expense posted for the audit year.

Current Liabilities

1. Schedule of accounts payable and accrued accounts payable.
2. Schedule of reserve for encumbrances.
3. Schedule of accrued payroll.
4. Schedule of calculation of health insurance and workman's compensation liabilities.

Long-Term Debt

1. Computation of GASB 101
2. Debt Schedule for each debt issue and related payments.

Grants

The following will be compiled for each grant:

1. Grant agreement.
2. Grant Budget.
3. All financial reports.
4. Correspondence with the grantor agency, including monitoring reports.
5. CFDA # and/or pass-through grant #.

Conversion

1. Entries to convert from fund to government-wide statements
2. Working Statement of Net Position
3. Working Statement of Activities
4. Allocation of depreciation among functional areas
5. Computation of additions and retirements of compensated absences
6. Reconciliation of fund and government-wide statements
7. Worksheet for determination of major funds
8. Worksheet of combining statements for non-major funds

Size and Complexity of City

Personnel/Payroll

Number of employees

150

Frequency of payroll

Bi-weekly

Property Tax

Total dollar amount of most recent year's collections

\$ 8,802,104

Revenues and Expenditures

Total Revenues

20,493,198

Total Expenses FY _24-25

19,182,953

Bank Accounts

Number of bank accounts

2

Number of investment accounts (non-escrow)

1

The following financial applications are on the computer system:

General Ledger
Accounts Payable
Payroll
Capital Assets
Cash Receipts
Accounts Receivable

SUMMARY OF AUDIT COSTS SHEET

- 1. Base Audit – City of Roanoke Rapids
 - a. Includes Personnel costs, travel, and on-site work if applicable
\$ _____

 - 2. Extra Audit Service
 - a. \$ _____ per hour
\$ _____
 - 3. Other: (explain) \$ _____
 - a. _____

 - 4. Other: (explain) \$ _____
 - a. _____
- TOTAL** \$ _____

FIRM:	Primary Contact:
Address:	Telephone:
	Fax:
	E-mail:
	Date:

PROPOSAL CERTIFICATION

Proposers
Signature _____ **Date** _____

By Signing above I Certify that I have carefully read and fully understand the information contained in this RFP; and that I have the capability to successfully undertake and complete the responsibilities and obligations of the Proposal being submitted and have the authority to sign Proposal on behalf of my organization.

BY (Printed): _____

TITLE: _____

COMPANY: _____

ADDRESS: _____

TELEPHONE: _____

EMAIL: _____