



# **TOWN OF MARSHALL**

*PO Box 548 • Marshall, NC 28753 • Phone (828) 649-3031 • Fax (828) 649-3413*

## **Town of Marshall Request for Proposals: To Provide Audit Services To Prepare Financial Statements**

**Responses Due:  
Tuesday May 15, 2026**

### **Contact Information:**

**Name: Ryan Cody**

**Title: Town Administrator**

**Address: 10 Derringer Drive, Marshall, NC 28753**

**Phone: 828-649-3031**

**Email: [administrator@townofmarshall.org](mailto:administrator@townofmarshall.org)**

## Request for Proposal

The Town of Marshall Board of Aldermen (hereinafter called the “Town”) 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 Town of Marshall 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 Town Board of Aldermen. The bidder consents to personal jurisdiction and venue in a state court of competent jurisdiction in Madison County, North Carolina.

## Type of Audit

The audit shall be conducted in accordance with the laws and regulations of the State of North Carolina, which include requirements for the minimum scope of the Town’s 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.

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 Governmental Accounting Standards Board 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 Town of Marshall staff on the applicability of accounting and reporting standards as they become effective.

1. The financial audit opinion will cover the financial statements for the governmental activities, the business-type activities, each major fund 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 34, 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, the major funds and any annually budgeted 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.

2. The audit will also include the following:
  - a. Pre-planning conference with Finance staff in June timeframe where both the auditor and Finance staff discuss their expectations of the audit.
  - b. Interim audit work in June or July and/or prior to final close.
  - c. Attendance at Town Board meeting Council meeting in January or February for presentation of the financial statements by Manager or Partner of the Audit Staff with comments and potential questions from Council as requested.
3. The audit should encompass all funds and entity-wide activities as reported in the Town's Annual Financial Information Report at June 30th, 2026 and any additional funds or entity-wide activities that may be added subsequent to that date.
4. If required, the audit firm will issue a management letter to the Town Board of Aldermen after completion of the audit and assist management in implementing recommendations, as is practical. Town staff also request that an informal letter be addressed to the Town Administrator 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 Town Finance Specialist 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.
5. The Town staff may require the auditor's guidance or input on the completion of certain schedules/documents as to proper format and content, so that they can be used in the audit process as well as inclusion in the Town's financial statements. 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 schedules that the Town will be responsible for preparing. Estimated timeframes will be established and interim audit work will be planned. Adequate notification will be given prior to any changes in estimated times.

If the Town of Marshall 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 Town staff will prepare all standard year-end accruals and other adjusting journal entries. The Financial Statement Preparer will prepare the government wide year-end adjusting journal entries as well as any necessary entries to allocate the state pension balances. The Town does not have Other Post-Employment Benefits, therefore no OPEB entries are necessary. The Town shall designate an individual, such as the Finance Specialist, 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 Town 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 Town will need the assistance of the Financial Statement Preparer for the preparation, typing, proofing, printing, and copying of the Basic Financial Statements, supplementary information and compliance reports. The Town of Marshall's Finance Officer will prepare the MD&A. **A preliminary draft of the audit and required adjusting journal entries must be submitted to the Finance Officer by October 15, for proofing and reconciliation to the Town's records to allow ample time for review and corrections before it is sent to the Local Government Commission.** The Town of Marshall's Finance Specialist and Finance Officer will review and return the draft to the Financial Statement Preparer with proposed revisions within 15 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 Town. Therefore, the Town of Marshall prefers interim fieldwork be completed in June if possible. Year-end fieldwork should begin by or before mid-August and be completed by late September. While many documents can be shared electronically, the Town expects that the audit firm staff will be onsite for fieldwork, including manager and partner level staff for at least a portion of the onsite work. **An agreed upon post-closing trial balance must exist by September 30.** The Finance Specialist and 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 the annual December 31st deadline or no later than the annual grace period of February 1. For every week the audit is late due to no fault of the Town of Marshall, there will be a reduction in the audit fee of \$100.00.**

Ten hard copies and a PDF of each Audit report, management letter, and other applicable reports must be supplied to the Town Administrator within the time frame cited above. In addition, the auditor is responsible for complying with the requirements of the LGC for submitting the audit and all associated documents and forms as required for the year under audit 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 Town Council's 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 or February following the audit completion.

Audit Contract: Period & Payment of Audit Fees

The Town intends to continue the relationship with the auditor for no less than three years on the basis of annual negotiation after the completion of the first-year contract. 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. The Town of Marshall reserves the right to request proposals at any time following the first year of this contract. It is requested that proposals be prepared for the following years, with year one being the only obligated year:

July 1, 2026 to June 30, 2027

July 1, 2027 to June 30, 2028

July 1, 2028 to June 30, 2029

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 Town may also execute an engagement letter and/or a Town 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

Town. 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 procedures or AFIR work 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 Town staff.

### Description of Selection Process

The Town requests that no Town officials be contacted during this proposal process. Submit questions regarding the RFP in writing via email to Ryan Cody at [administrator@townofmarshall.org](mailto:administrator@townofmarshall.org). Any additional information disclosed to participating audit firms prior to bid submission will be shared with all interested parties.

Proposals will 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 that best meets the Town of Marshall'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 out current fees will raise concern. The lowest bid will not automatically be awarded preferential consideration.

The Town 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 Town.

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 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. Relevant experience and education with the new GASB reporting requirements should be clearly communicated.
7. Describe the relevant educational background of each person assigned to the audit, senior level and higher. This should include seminars and courses attended within the past three years, especially those courses in governmental accounting and auditing.
8. Describe the professional experience of assigned individuals in auditing relevant government organizations, programs, activities, or functions (e.g., Water/Sewer, Electric service function).
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

Proposals should include completed cost estimate sheets and any other necessary cost information in a separate, sealed envelope marked – “Cost Estimate.” The Town 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.
    - i. Estimated hours: please categorize estimated hours into the following: on-site interim work, year-end on-site work, and work performed in the auditor’s office.
    - ii. Rate per hour.
    - iii. 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.
    - i. 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>May 1, 2026</i>
Deadline for RFP Questions *	<i>May 8, 2026 by 4:00 p.m.</i>
Deadline for Receipt of Proposals	<i>May 15, 2026 by 4:00 p.m.</i>
Board awards audit contract	<i>May 18, 2026</i>

Any questions should be directed to Sahrah McAree, Finance Specialist, at (828)-649-3031 or by email at [Finance@townofmarshall.org](mailto:Finance@townofmarshall.org).

Proposals can either be submitted electronically (email) to Ryan Cody, Town Administrator [administrator@townofmarshall.org](mailto:administrator@townofmarshall.org) or by mail or hand delivery to: Town of Marshall, 10 Derringer Drive, Marshall, NC 28753. Submissions must be received by 4:00 pm on May 15, 2026. Envelopes containing proposals on paper should be clearly identified on the front with the words "Town of Marshall RFP for Audit Services".

Please note your email should include two separate pdf attachments for sections 1 and 2.

Envelopes should include two copies of the bound proposal.

Proposals will be reviewed and a recommendation made to the Town of Marshall Board of Aldermen on May 18, 2026.

