SEDALIA

Let's Cross Paths

REQUEST FOR PROPOSAL

ANNUAL AUDIT

CITY OF SEDALIA, MISSOURI

DEADLINE:

2:00 p.m., Tuesday, September 22, 2026

OFFICE OF THE CITY CLERK

MUNICIPAL BUILDING
200 S. Osage
Sedalia, MO 65301

CITY OF SEDALIA

Audit Bid Specifications

The City of Sedalia is soliciting proposals for the annual independent certified audit for the three fiscal years ending March 31, 2027, 2028 and 2029 plus an option to extend the audit for two additional years. Sealed bids should be submitted to the City Clerk no later than 2:00 P.M. on September 22, 2026. Mark on the outside of the envelope “Bid on Annual Audit”. Bids will be publicly opened at 2:00 P.M. on Tuesday, September 22, 2026, in the Council Chambers at the Municipal Building.

For additional information, contact Jessica Pyle, Finance Director at the Municipal Building, 660-827-3000 ext. 1131. The City reserves the right to request additional information and to reject any or all bids and to accept the bid considered by the City to the best suited to fulfill the needs of the City of Sedalia.

I. Background Information:

A. The City of Sedalia is a Third-Class city with a population of approximately 21,500 and operates under a Mayor, eight Council Members, and Administrator form of government.

B. The Finance Department consists of a Finance Director, Accounting Manager, Utility Billing Supervisor, three Accounting Specialists which process payroll and accounts payable, three Utility Support Specialists who are responsible for utility billing, start/stop service, and other service need, and one License Technician who processes business and pet licenses as well as accounts receivable.

C. There are approximately 260 full time employees and 180 part time/seasonal employees in the peak of the seasonal period.

D. The City’s fiscal year ends March 31.

E. The City’s present annual (12 month) revenue budgets are $17,996,044 for the General Fund and $77,240,107 for all funds, including the General Fund.

F. The funds and account groups presently in use are:
   a) Government Fund Types - General Fund
   b) Special Revenue Funds
      i. Central Business and Cultural District
      ii. Park
      iii. Library
      iv. Midtown Special Allocation
      v. Fire Academy
      vi. Animal Control

vii. Self Funded Health Insurance
viii. Opioid Settlement Funds
c) Capital Projects Fund
d) Transportation Fund
e) Fiduciary Fund Types
i. Policemen's Pension Trust
ii. Firemen's pension Trust
iii. Deferred Compensation Agency
f) Enterprise Fund
i. Water Pollution Control
ii. Water
iii. Sanitation
iv. Airport
v. Bothwell Regional Health Center

G. The General Fund consists of the following departments:
a) Administration
b) Finance
c) Records
d) Personnel
e) Information Solutions
f) Public Works Administration
g) Fire
h) Police
i) Community Development
j) Code Enforcement
k) Building Maintenance
l) Cemetery
m) Vehicle Maintenance
n) Animal Control & Shelter
o) Municipal Court
p) Capital Purchases

H. The Transportation Fund consists of the following departments:
a) Street
b) Alley & Right of Way Maintenance

I. Bothwell Regional Health Center operates as a separate entity but is a City owned hospital. Therefore, Bothwell's data is combined with the City's financial statements. Bothwell Regional Health Center has a separate audit and the reports will be furnished to the successful bidder.

J. The City utilizes the modified accrual basis of accounting for all funds except for the proprietary fund, which utilize the full accrual basis.

K. The City's accounting records are essentially all computerized. The City staff shall be responsible for computing fixed asset depreciation for the year.

L. The City does prepare interim financial statements (Revenue, Expenditure and Balance Sheet) for all funds each month.

M. The Fire and Police Pension Funds do not require a full audit as they have both transferred to LAGERS.

N. The firm of Williams Keepers, Columbia, MO performed the audit last year.

II. Scope of Audit

General – The audit shall include an examination of the financial and other records of the various activities, departments and funds of the City in accordance with the applicable generally accepted auditing standards, including the examination and testing for fraudulent or improper financial activity. The examination shall also be made in compliance with the laws of the State of Missouri, Government Auditing Standards issued by the Comptroller General of the United States, the requirements of any Federal Agency with which the City may have a Grant Program, the requirements of OMB A-133, and any other applicable requirements, including those promulgated by GAAP, NCGA, AICPA and GASB.

III. Reports required at the completion of the audit

A. A report and opinion on the examination of the financial statements for the City of Sedalia, including all accounts and funds. The City can prepare the MD&A, if necessary. The financial statements and GASB required statements, as well as the notes to the financial statements will be completely prepared and printed by the Auditor, but shall be reviewed and approved by the City.

B. A report on internal control over Financial Reporting and on compliance and other matters based on an audit of financial statements performed in accordance with Government Auditing Standards; the Single Audit Act of 1984; and the provisions of OMB Circular A-133 Audits of State and Local Governments.

C. A report of comments and recommendations for improvements of operating procedures and policies to management.

D. Any other reports or schedules that may be required for the OMB A-133 or other applicable requirements.

E. Fifteen bound copies, along with an electronic copy, shall be furnished to the City.

IV. Time Constraints

A. The City of Sedalia will complete the entry of all transactions for the current fiscal year; including final year-end adjustments, a chronological, by account listing of all transactions for the year and a year-end Trial Balance, no later than the 31st of May. Changes to this schedule for special circumstances may be made based upon mutual agreement between the Auditor and the City.

B. The Auditor shall deliver a draft copy of the audit report to the Finance Director for review by no later than September 5^{th}.

C. During the audit, the Auditor may be required to meet with various elected or appointed officials to discuss the audit or related matters. The Auditor shall review any deficiencies noted in the pre-year-end work with the City Administrator and the Finance Director on or before the conclusion of the pre-year-end work. A post-audit conference with selected officials to review the financial statements, compliance reports and a draft of the report of comments and recommendations may be held.

D. The Audit report and a general explanation to the Mayor and the City Council will be presented to the City Council on a date mutually agreed upon by the Auditors and the City, typically in September/early October.

E. The City desires to maintain a working relationship, with the firm selected, during the entire term of their services. This would entail consultation on changes needed to be in compliance with the new GASB pronouncements, as well as occasional telephone consultation, for which the City would not anticipate any charge in addition to the established annual fee.

V. Use of City Facilities and Personnel

A. The City will provide an adequate work area for the auditing staff.

B. City staff will be available to answer questions and for consultation as needed. Minor clerical assistance only will be provided e.g. typing of confirmations, pulling and filing of documents, but will not include preparation of audit work papers or supporting documents, making copies, supplying return envelopes or postage for confirmation letters, preparing adding machine tape lists, etc.

C. The City will provide access to appropriate files for Auditors use and duplication or upload. The City will also provide access to a copy machine and can arrange for documents to be scanned and sent to the Auditors email, should they choose to utilize this feature.

D. The Auditor will provide any required computers, calculators, and typical office supplies for their use on site.

VI. Form of Proposal

A. State whether your firm is local, regional or national.

B. Give the location of the office from which the work is to be done and the number of partners, managers, supervisors, seniors and other professional staff employed at the office.

C. Describe the range of activities performed by the local office in the governmental area such as audit, accounting or management services.

D. Describe your firm's approach to conducting the examination. It should indicate the approximate date the audit will begin (including preliminary field work) and end within the time constraints set forth in these specifications. Also included should be the estimated hours required to complete the engagement by level or staff (i.e. partner, manager, etc.).

E. Describe whether the firm uses a paperless/electronic file sharing service for secure collaboration of document/information requests and if so, which service is used (i.e. Dropbox, SharePoint, etc.). If your firm does not use this service presently, please state whether you would be open to exploring this option as a means to streamline the production of documents.

F. Staffing of the audit. Brief biographies, including experience of the individuals who will be assigned to the engagement, and the relevant experience of each in auditing municipalities must be furnished.

G. Listing of governmental auditing experience. For the last three years, list the names and telephone numbers of officials in other municipalities audited by your firm for reference, and the date's audits were performed.

H. Describe in detail additional professional services your firm has to offer the City that will enhance your audit services and indicate the applicable hourly rates for each service.

I. The City proposes to establish a working agreement with the successful firm for a period of three (3) years with two annual renewals. For this reason, you are asked to state a schedule of fees with a maximum fee specified for the annual audit years of 2027, 2028 and 2029. Fees are to be billed and payable upon completion of the audit and presentation of reports. The billable rates of partners, managers, seniors and various audit staff members assigned to this audit should be indicated.

J. The City usually, but not always, is required to have a single audit in accordance with OMB Circular A-133. Please bid this as a separate amount, so that we have an amount with, and an amount without the single audit.

K. The City may use the firm to report on GASB 68 and 101. Please bid these as separate amounts from the audit and one another.

L. Please include a fee schedule if there are fees that may occur outside of the audit bid.

VII. Evaluation and Award

A. An evaluation of the proposals will be made and two or three firms may be invited to make an oral presentation. References for the successful bidder will be contacted. Those firms invited to make oral presentations will be ranked according to experience, qualifications and bid price submitted. The final decision will be made by the City Council based upon a recommendation by the City Administrator and Finance Director.

B. The City reserves the right to reject any and all proposals and waive irregularities therein and make the selection that it deems the best proposal.

C. If you desire any additional information or clarification or would like to visit the City of Sedalia to review our financial records before preparing your proposal, contact Jessica Pyle, Finance Director at 660-827-3000 ext. 1131.

NOTICE TO BIDDERS

The Sedalia City Council invites your proposal on the general audit of the City of Sedalia for a three-year period beginning the fiscal year 2027 ending 3/31/27. There will also be an option for the two subsequent fiscal years.

Specifications are available online at www.sedalia.com or by contacting the Finance Director, Jessica Pyle, at (660) 827-3000 ext. 1131. All proposals are due in the Clerk's Office, no later than 2:00 p.m. CDT, Tuesday, September 22, 2026 and should be sealed and clearly marked BID ON ANNUAL AUDIT. No late proposals will be accepted.

The Council reserves the right to accept or reject any or all proposals, reserves the right to waive formalities and to take such action as it deems necessary in the best interest of the City of Sedalia. All proposals received become a part of the City of Sedalia files without obligation on the part of the City of Sedalia.