

SOUDERTON BOROUGH

REQUEST FOR PROPOSAL FOR

Borough Auditor

Contract Term

The selected firm shall conduct an independent audit of Souderton Borough's financial statements for the calendar year ending December 31, 2025, with audit work beginning in 2026.

SUBMISSION DEADLINE

March 6, 2026 @ 12:00 Noon

ADDRESS ALL PROPOSALS TO:

Souderton Borough
31 W. Summit Street
Souderton, PA 18964

Attention: Sara Jarrett-Eaton
Borough Manager

GENERAL INFORMATION & Summary

ORGANIZATION REQUESTING PROPOSAL

Souderton Borough
31 W. Summit Street
Souderton, PA 18964

CONTACT PERSON

Sara Jarrett-Eaton
Borough Manager
215-723-4371
sjarrett@soudertonborough.org

PURPOSE OF REQUEST

The purpose of this Request for Proposal (RFP) is to solicit proposals from qualified certified public accounting firms to provide independent auditing services to Souderton Borough. We seek to engage an auditor who can deliver professional, objective, and comprehensive financial audits in accordance with all applicable accounting standards and regulatory requirements. The selected firm will be responsible for examining the Borough's financial statements, assessing internal controls, ensuring compliance with relevant laws and regulations, and providing clear, accurate audit reports. Services may include, but are not limited to, annual audits of the Borough, preparation of required state filings, issuance of management letters, and general financial reporting support.

PERIOD OF CONTRACT

The awarded proposal for Borough financial auditing will commence in 2026, covering the audit of Souderton Borough's financial records for the calendar year ending December 31, 2025. Services are eligible to be renewed on an annual basis thereafter.

BACKGROUND INFORMATION REGARDING RFP

Souderton Borough is issuing a Request for Proposals (RFP) for independent auditing services to ensure transparency, fiscal accountability, and the highest standards of financial oversight. An open RFP process promotes fair and competitive selection, strengthening public trust by giving all qualified audit firms an equal opportunity to apply. It also enables the Borough to evaluate a range of providers based on their qualifications, municipal audit experience, responsiveness, and cost-effectiveness — ensuring that Souderton Borough receives exceptional auditing services at a competitive rate.

As the Borough's financial responsibilities evolve — including utility billing, capital improvements, grant compliance, and intergovernmental reporting — it is essential that auditing services align with current regulations and future financial planning needs. Issuing an RFP allows the Borough to assess whether current audit practices are meeting those needs or whether another firm may offer a more specialized, efficient, or forward-thinking approach. It also supports fiscal responsibility by benchmarking service costs and ensuring taxpayers receive the best possible value.

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I. INTRODUCTION

Souderton Borough is soliciting written proposals from qualified certified public accounting firms to conduct the Borough's annual independent financial audit and provide related auditing services in accordance with applicable laws and standards.

Souderton Borough is located in Montgomery County and has a population of about 7,200 people. The Borough is governed by a Mayor and nine-member council with an appointed Borough Manager. The Borough provides wastewater service in addition to the general operational expenses which include Administration, Public Safety, and Public Works.

The General Fund operating budget is currently \$6.8 million dollars. The Sewer Fund operating budget is \$2.0 million dollars. The Borough's accounting and financial reporting is performed in-house.

Proposals are to be received at the Souderton Borough Municipal Building at 31 W. Summit Street, Souderton, PA 18964 by Friday, March 6, 2026, at 12:00 noon.

II. OBJECTIVE

The objective of this Request for Proposals (RFP) is to identify and retain a qualified and experienced certified public accounting firm to serve as the independent auditor for Souderton Borough. The Borough seeks an auditor who can provide accurate, timely, and cost-effective auditing services in compliance with all applicable accounting standards and regulatory requirements. The selected firm will be responsible for conducting an annual audit of the Borough's financial statements, reviewing internal controls, preparing necessary financial reports and filings (including DCED reporting), and advising on issues related to financial compliance and transparency. This engagement is intended to ensure that the Borough maintains the highest standards of financial accountability, promotes public trust, and supports long-term fiscal responsibility.

III. REQUIREMENTS

A. General

1. Souderton Borough reserves the right to reject any or all proposals and to select the proposal that it judges to be in the best interest of Souderton Borough.
2. All proposers are bound by the deadline and location requirements of this RFP as previously stated in the Announcement.
3. All proposals shall remain effective, subject to Souderton Borough's review and approval, for a period of sixty (60) days from the deadline for submitting proposals.

4. Hereinafter, the term “proposer” shall mean the person or firm making a proposal based on this RFP. The terms “proposer” and “firm” are used interchangeably. The terms “you” or “your” shall also refer to the proposer.
5. The successful firm is required to comply with the non-discrimination and equal opportunity provisions of the Commonwealth of Pennsylvania and is required to sign the Affirmative Action Certification. Said certification will become part of and attached to the Agreement Contract Form.

B. Scope of Services

The selected auditor shall provide independent financial auditing services in accordance with Generally Accepted Government Auditing Standards (GAGAS), the requirements of the Pennsylvania Department of Community and Economic Development (DCED), and all other applicable laws and regulations. Required services include, but are not limited to:

1. Conducting an annual audit of Souderton Borough's financial records for the fiscal year ending December 31, 2025, with the potential for renewal for additional fiscal years.
2. Preparing and submitting the Annual Audit and Financial Report (DCED report) as required by the Commonwealth of Pennsylvania.
3. Reviewing and evaluating the Borough's internal controls and financial reporting practices; making recommendations for improvements as needed.
4. Issuing a complete set of audited financial statements, including all required supplementary information, notes, and disclosures.
5. Issuing a management letter outlining any findings, recommendations, or areas of concern, and presenting such findings to Borough Council upon request.
6. Providing guidance on changes in accounting standards, compliance issues, or other financial matters relevant to the Borough's operations.
7. Cooperating with Borough staff and responding to reasonable inquiries throughout the fiscal year related to audit preparation, compliance, and reporting.

III. MINIMUM QUALIFICATIONS

To be considered for appointment as the Independent Auditor for Souderton Borough, the accounting firm must meet the following minimum qualifications:

A. Licensure and Good Standing

1. Must be a licensed Certified Public Accounting (CPA) firm authorized to practice in the Commonwealth of Pennsylvania.
2. Must be in good standing with the Pennsylvania State Board of Accountancy and free of any disciplinary actions or license suspensions.

B. Government Audit Experience

1. Must have a minimum of five (5) years of experience conducting audits for Pennsylvania local governments or municipal authorities, including financial statement audits and compliance reporting.
2. Demonstrated familiarity with relevant laws, regulations, and standards, including:
 - Generally Accepted Government Auditing Standards (GAGAS)
 - Governmental Accounting Standards Board (GASB) requirements
 - Pennsylvania DCED reporting and auditing requirements.

C. Technical Competencies

1. The proposer must demonstrate competence and relevant experience in the following areas of governmental financial auditing:
 - Annual audits of boroughs, townships, or authorities
 - Internal control evaluation and risk assessment
 - DCED Annual Audit and Financial Report preparation
 - Utility or enterprise fund audits (if applicable)
 - Financial compliance audits related to grants or state/federal funding.
 - Management letter preparation with findings and recommendations

D. Availability and Responsiveness

1. The selected firm must demonstrate the ability to complete the annual audit and required reports within agreed-upon timelines.
2. The firm must be available throughout the year to respond to Borough inquiries related to audit findings, internal controls, or financial compliance matters.
3. The Borough expects the lead auditor or engagement manager to serve as the primary point of contact, with consistent involvement throughout the engagement.

E. Insurance Requirements

1. The selected firm must carry and maintain professional liability (errors and omissions) insurance in coverage amounts acceptable to the Borough.
2. Proof of current insurance coverage must be provided upon request and will be required as a condition of contract execution.
3. The firm must agree to maintain such coverage for the full term of the engagement and any authorized renewal periods.

F. No Conflict of Interest

1. The proposer must disclose any existing or potential conflicts of interest involving Souderton Borough or its affiliated entities.
2. The selected firm must agree to avoid any engagements or relationships during the term of service that would create a conflict of interest or the appearance of one.

3. Failure to disclose or properly manage such conflicts may result in disqualification or termination of the agreement.

IV. PROPOSAL REQUIREMENTS

All proposals must include the following:

1. Cover Letter - A letter introducing the firm, expressing interest in providing independent auditing services to Souderton Borough, and identifying the primary point of contact for the proposal.
2. Firm Background - A brief history of the firm, including the number of years in practice, areas of accounting and audit specialization, office location(s), and relevant licenses and certifications.
3. Relevant Experience - A summary of the firm's experience conducting municipal audits or similar public sector financial audits. Include the number and types of Pennsylvania local governments or authorities audited and highlight familiarity with DCED reporting and GASB standards.
4. Key Personnel - Names, titles, and qualifications of the individuals who will be assigned to Souderton Borough's audit. Include résumés or bios summarizing their relevant municipal audit experience and certifications (e.g., CPA, CGFM).
5. Fee Structure - A proposed fee schedule outlining the total cost for the audit of the 2025 fiscal year, including:
 - Fixed fees or hourly rates
 - Rates for additional services, if applicable
 - Any additional charges (e.g., travel, report copies, attendance at meetings)
 - Pricing for optional renewal years (e.g., 2026 and 2027 audits)
6. References - Contact information for at least three (3) municipal or public-sector clients for whom the firm has performed similar auditing services within the past five years. Include names, titles, phone numbers, and a brief description of services provided.
7. Availability - A statement confirming the firm's ability to begin work in 2026 and complete the audit for the 2025 fiscal year within a reasonable timeframe. Include the expected audit timeline and availability for meetings, presentations, or follow-up requests.

V. SUBMISSION INSTRUCTIONS

All proposals must be submitted no later than **Friday, March 6, 2026, at 12:00 noon**. Proposals may be submitted electronically in PDF format or in a sealed envelope marked **“RFP – Auditing Services”** to:

Souderton Borough

Attn: Borough Manager

31 W. Summit Street

Souderton, PA 18964

Email: sjarrett@soudertonborough.org

Phone: 215-723-4371

VI. SELECTION PROCESS

Souderton Borough will evaluate all proposals based on the following criteria:

- Qualifications of the firm and key personnel
- Relevant experience with municipal and public sector financial audits
- Demonstrated understanding of the Borough's needs and responsiveness to the RFP requirements
- Cost proposal and overall value to the Borough

The Borough may identify a shortlist of finalist firms and invite them for interviews or presentations to further assess their qualifications and approach the engagement.

The Borough reserves the right to:

- Reject any or all proposals.
- Waive any informalities or irregularities in the proposal process.
- Request additional information or clarification from proposers.
- Award the contract in a manner deemed to be in the best interest of Souderton Borough

VII. TERM OF ENGAGEMENT

The agreement will be commencing upon the execution of a signed contract. The agreement may be renewed annually, subject to the mutual written consent of both the Borough and the selected firm.

VIII. TERMS AND CONDITIONS

- A. The Borough retains the right to reject any or all proposals as deemed necessary and reserves the option to waive any informalities or irregularities in the proposals. Unless otherwise indicated by the proposer, the Borough may choose to accept any items or services included in the proposals if such acceptance is considered to be in the best interest of the Borough.
- B. In the event of a failure by the successful proposer to meet the terms of the agreement, the Borough may procure audit services from other sources, deduct the cost of replacement services from money due to the proposer under the contract, and hold the proposer responsible for any excess cost incurred.
- C. The proposer shall maintain sufficient insurance to protect against all claims under Workers' Compensation, General Liability, and Professional Liability (Errors and Omissions). Proof of insurance must be provided upon request and prior to execution of the contract.
- D. Each proposal must be signed by an individual authorized to bind the proposer to the submitted terms.
- E. The contract for auditing services shall be considered for renewal each January at the Borough Council Meeting, unless otherwise agreed upon or terminated pursuant to the contract terms.

- F. Proposals may be hand-delivered or mailed to the address specified in the legal notice. In the case of mailed proposals, the Borough assumes no responsibility for proposals received after the designated date and time and will return late proposals unopened. Proposals submitted by fax or email will not be accepted.
- G. No proposer shall attempt to influence or cause any Borough officer or employee to use their official capacity in a manner that would compromise the objectivity or independence of their judgment with respect to this procurement process.
- H. No proposer shall attempt to use their relationship with any Borough officer or employee to obtain unwarranted privileges, advantages, or favorable treatment for themselves or any other party.
- I. The Borough shall not be responsible for any costs incurred by proposers in the preparation, submission, or presentation of proposals.

IX. QUESTIONS

Questions regarding this RFP should be directed to the Borough Manager at sjarrett@soudertonborough.org or 215-723-4371.

Thank you for your interest in serving Souderton Borough.