

# Village of Hales Corners

5635 S. New Berlin Road  
Hales Corners, WI 53130  
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www.halescorners.org



James R. Ryan Municipal Building

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## VILLAGE OF HALES CORNERS, WISCONSIN REQUEST FOR PROPOSALS FOR PROFESSIONAL AUDITING SERVICES

### A. Purpose of Request

The Village of Hales Corners, Wisconsin is requesting proposals for the purpose of retaining a certified public accounting firm (Firm) to audit the Village's financial records. All detailed information needs are outlined in subsequent sections of this request for proposal (RFP). The term of the contract with the successful Firm shall commence no later than December 1, 2026 and shall be for the audit of the Village's financial records for three successive fiscal years beginning with the year ending December 31, 2026.

Any inquiries/clarifications concerning the request for proposal should be directed in writing to the Administrator, via email at [skulik@halescorners.org](mailto:skulik@halescorners.org) and should be received no later than the date specified in the time schedule. No information provided verbally, or by any other personnel, will be considered binding. All respondents should use this written document and its attachments as the sole basis for proposal at this time.

The Village prohibits communication initiated by the respondent to any Village official, representative from another entity or employee evaluating or considering the proposals, prior to the time a decision has been made.

This RFP seeks professional services and statutory bidding laws do not apply.

### B. Scope of Work to be Performed

The auditor selected will complete the Annual Financial Statements, Independent Auditor's Report for the Village funds, provide data for Village personnel to complete and file the State of Wisconsin Municipal Financial Report Form C, complete compiled financial statements for Tax Incremental District 4, complete an audit of the Tax Incremental Districts, Health Department Program Audits required by the Wisconsin Department of Health Services and single audits when required.

### C. Time Schedule

The Village intends to use the following timetable for evaluation and selection of an auditing firm:

Week of June 8, 2026	Send out request for proposal
July 31, 2026	Deadline for receipt of proposals by Village <b>(No responses will be accepted after this date.)</b>
Week of August 10, 2026	Interview Village Officials by Firm (if needed)
September 14, 2026	Village Board award of contract with Auditing Firm

## D. Instructions to Auditing Firms

1. All responses must be addressed to, and mailed or delivered to:

Village of Hales Corners  
Attn: Village Administrator  
5635 S. New Berlin Rd.  
Hales Corners, WI 53130

2. All proposals must be in writing, must be in a sealed envelope and clearly marked in the lower left corner: "Auditing Services Proposals." **All proposals must be received by 1:00 p.m. on July 31, 2026. Proposals received after that date and time will be rejected.** Proposals will not be opened publicly.

All attachments, additional pages, addenda or explanations supplied by the Firm with this proposal will be considered as part of the proposal response. If an oral presentation or interview is required of selected finalists, it shall be at the respondents' expense. An award may be made without discussion with the respondents. Therefore, respondents are cautioned that proposals should be submitted initially on the most favorable terms, from both a technical and cost standpoint.

3. One (1) original and three (3) copies of each proposal must be provided with submission.
4. The Administrator will notify the Firm being recommended to the Village Board by September 8, 2026.
5. This RFP does not commit the Village to award a contract, to pay any costs incurred in the preparation of a response to this request or to procure or contract for services or supplies. The Village reserves the right to accept or reject any or all proposals received as a result of this request, to waive minor irregularities in the procedure, to negotiate with any qualified source, or to cancel in part or in its entirety, this RFP, if it is in the best interest of the Village of Hales Corners to do so. The Village may require the Firm selected to participate in negotiations, and to submit such price, technical or other revisions in their proposal as my result from negotiations.
6. Amendment of proposals may be done as follows:

- a. **By Village:** Proposals may be amended by the Village in response to need for further clarification, specifications and/or requirements changes, new opening date, etc. Amendments will be posted to the Village of Hales Corners website at: [www.halescornerswi.gov](http://www.halescornerswi.gov).

It is the responsibility of prospective Firms to check this website for any future amendments, questions, revisions, etc. prior to the opening date. **All amendments must be acknowledged in the transmittal letter.** Failure to do so may result in Firm's response being rejected.

- b. By Firm:** Proposals may only be amended after receipt by the Village by submitting a later dated proposal that specifically states that it is amending an earlier proposal. No proposal may be amended after the opening date unless requested by the Village.
7. A response that includes contractual terms and conditions that do not conform to the contractual terms and conditions in the RFP document is subject to rejection as nonresponsive. The Village reserves the right to permit the respondent to withdraw nonconforming terms and conditions from its response or negotiate changes to the contractual requirements prior to making a determination of responsiveness.
8. An alternate proposal is viewed by the Village as a proposal describing an approach to accomplishing the requirements, which differs from the approach set forth in the solicitation. An alternate proposal may also be a second proposal submitted by the same Firm, which differs in some degree from its prime proposal. The Village may consider or reject any or all alternate proposals submitted.
9. Proposals may be withdrawn only in total, and only by a written request to the Village prior to the time and date scheduled for opening the proposals.

#### **E. Description of Entity and Records to be Audited**

The Village of Hales Corners is located in Milwaukee County and southwest of the City of Milwaukee. The Village was established as an incorporated village in 1952. The Village operates under the Village Administrator form of government. The Village President is elected to serve a three year term and six trustees serve at large and serve staggered three year terms. The Village Administrator is appointed by the Village Board and oversees the day to day operations of the Village as well as serves as Clerk and Treasurer. In 2026, three key senior position retirements have or will occur. The Police Chief and Fire Chief have retired as of June 1, 2026 and new appointments were made to these positions. The Village Administrator will be retiring upon successful recruitment of replacement before the close of 2026. The new Village Administrator will begin employment no later than November 1, 2026. The Village of Hales Corners provides a full range of services, including police, fire and emergency medical protection, health services, library services, public works activities such as highway and street maintenance, refuse and recycling collection, storm water utility, community development activities, zoning enforcement, and general and financial administration.

Other pertinent information is as follows:

- All financial records are maintained within the Village Hall.
- The Village currently has one active Tax Incremental Financing District created in 2016.
- The Village of Hales Corners had a total payroll of \$4.4 million in 2026. The Village employs 36 full time employees, approximately 80 part-time and seasonal staff, 7 village board members and poll workers.
- The Village participates in the Wisconsin Retirement System, a cost-sharing multi-employer public employee retirement system covering all eligible employees.
- The 2025 Financial Statements of the Village of Hales Corners are available on the Village's website as well as the Village budgets.

- The Village presently uses Banyon Data Systems as its primary accounting software. The Village outsources payroll production to B2E Solutions. Cash Receipting and Treasury collections are processed through LandNav Software, a program with Milwaukee County, and are uploaded through an import into the Village's financials system. Work Horse is the sewer billing software utilized by the Village. Water billing is completed by the Milwaukee Metropolitan Sewer District (MMSD) and is not part of this audit services agreement. Miscellaneous accounts receivable are created using excel software and journal entries are utilized to update the Village's financial system.
- The most recent Village audit was performed by Baker Tilly USA LLP for the period ending December 31, 2025.

The audit shall include the following funds:

General Fund  
 Health Reimbursement Fund  
 Compensation Reserve  
 Capital Projects Funds  
 Special Assessments Fund  
 Tax Incremental Fund  
 Debt Service Fund  
 Non-major Special Revenue Funds  
 Storm Water Utility Fund  
 Equipment Replacement Fund

#### **F. Basis of Accounting**

The Village follows generally accepted accounting principles as applicable to governmental units in the preparation of its financial statements. The modified accrual basis of accounting is used for all governmental type funds. The Village does not presently operate any proprietary funds.

Expenditure and expense transactions are generally recorded as incurred during the year. Fixed asset changes and depreciation are recorded as year-end adjustments by village staff. Revenues are generally recorded during the year on a cash basis and adjusted to accrual at year-end by village staff. The notes to the financial statements include a summary of significant accounting policies.

#### **G. Scope of Audit**

The audit shall cover the entire financial operation of the Village and must be performed in accordance with generally accepted auditing standards as contained in the U.S. General Accounting Office **Government Auditing Standards** and the American Institute of Certified Public Accountants Industry Audit Guide, **Audits of State and Local Governmental Units**.

The Village has been required to complete Health Department Program Audits in the past. The most recent Village Health Department Program Audit was performed by Baker Tilly USA LLP for the period ending December 31, 2022. Since 2023, the Village has received waivers to the program audits by the Department of Health Services. In the event a program audit would be required, audit firms shall include the estimated hours and fees for performing the annual program audits as part of the

technical and cost proposals. Should the Village receive federal and/or state financial assistance that would require a single audit to be performed; the Village will negotiate the necessary fees with the Firm based on the hourly rates for the applicable year per the Firm's cost proposal.

The Village currently has one (1) TIF District. As part of this contract, the Village desires to have the Firm providing the annual audit services to also perform an annual TIF Compilation of financial statements as part of its procedures. Therefore, proposing firms should include the estimated hours and fees for performing the TIF financial statements as part of the technical and cost proposals. If a TIF audit is required of TIF #4 or any subsequent TIF not yet created, the Village will negotiate the necessary fees with the Firm based upon the hourly rates for the applicable year per the Firm's cost proposal.

In addition to the above, the Firm will:

1. Issue the following reports following the completion of the audit of the fiscal year's financial statements.
  - a. A report on the fair presentation of the financial statements in conformity with generally accepted accounting principles.
  - b. Management letter.

In the management letter, the auditor shall communicate any reportable conditions found during the audit. A reportable condition shall be defined as a significant deficiency in the design or operation of the internal control structure, which could adversely affect the organization's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements.

Reportable conditions that are also material weaknesses shall be identified as such in the report.

Auditors shall be required to make an immediate, written report of all irregularities and illegal acts or indications of illegal acts of which they become aware.

2. Attend meetings of the Village Board as may be required.
3. Compile data necessary for Village staff to complete the State of Wisconsin Department of Revenue Municipal Financial Report Form C.
4. The Village received \$5.5 million in Federal Emerging Contaminant funding and Wisconsin Department of Natural Resources Safe Drinking Loan proceeds for a water conversion project completed in 2026 for the Hales Happiness Subdivision Water Conversion Project. A single audit report is required for this project. *Proposals shall include pricing for completion of a single audit and express an opinion thereon, for the year ending December 31, 2026 as required by the Federal Office of Management and Budget Circular A-133 and the State of Wisconsin Single Audit Guidelines.* The residential properties benefiting from this project will have an estimated \$1.5 million

special assessment allocation beginning in December 2026. Additional single audits as may be required for future projects shall be negotiated for 2027 and 2028 if needed.

5. Provide the following number of copies of reports:

- |                                |    |
|--------------------------------|----|
| a. Audit Report                | 10 |
| b. Form C                      | 1  |
| c. Single Audit (if necessary) | 10 |
| d. Management Letter           | 10 |

In addition, electronic versions of all reports will be required.

6. The Village of Hales Corners may prepare one or more official statements in connection with the sale of debt securities which will contain the general purpose financial statements and the auditor's report thereon. The auditor shall be required, if requested by the fiscal advisor and/or the underwriter, to provide consent to use the general purpose financial statements in the financing document.

#### **H. Assistance Available to Selected Firm**

The primary contacts for the audit will be the Village Administrator and Assistant Administrator staff. Other village staff will be available to provide information and explanations as required. Village employees will complete and provide work papers.

The Village will provide adequate office space, office furniture, photocopying, telephone and Wi-Fi access at no cost to the auditor.

#### **I. Terms and Conditions**

##### Insurance

All proposals must include either a description of the Firm's insurance or a certificate of insurance outlining the Firm's insurance policies which evidence a prudent amount of coverage for the willful or negligent acts or omissions of any officers, employees or agents thereof. The Village's minimum requirement for errors and omissions coverage is \$10,000,000. The successful Firm shall agree that it will, at all times during the term of the agreement, keep in force and effect insurance policies required by the contract, issued by a company or companies authorized to do business in the State of Wisconsin and satisfactory to the Village. Such insurance shall be primary. Prior to execution of the written contract, the successful Firm shall furnish the Village with a Certificate of Insurance listing the Village as an additional insured and upon request, certified copies of the required insurance policies. The Certificate shall reference the contract and provide for thirty (30) days advance notice of cancellation or nonrenewal during the term of the agreement.

Failure to submit an insurance certificate, as required, can make the contract voidable at the Village's discretion. Additionally, the Firm shall not allow any subcontractor to commence work until the aforementioned documents, where applicable, have been obtained from the subcontractor and approved by the Village of Hales Corners.

### Applicable Law

Any lawsuits related to or arising out of disputes under this agreement shall be commenced and tried in the Circuit Court of Milwaukee County, Wisconsin, and the Village and successful Firm shall submit to the jurisdiction of the Circuit Court for such lawsuits.

### Nondiscrimination

In connection with the performance of work under this agreement, the Firm agrees not to discriminate against any employee or applicant for employment because of age, race, religion, color, marital status, sexual orientation, sex, disability, nation origin or ancestry. This provision must be included in all subcontracts.

### Assignment or Subcontract

This contract may not be assigned or subcontracted by the Firm without the written consent of the Village.

### Independent Contractor Status

The Firm agrees that it is an independent Contractor with respect to the services provided pursuant to this agreement. Nothing in this agreement shall be considered to create the relationship of employer and employee between the parties.

### Amendments to Contract

This contract may be modified only by written amendment to the contract, signed by both parties.

### Waiver

One or more waivers by any party of any term of the contract will not be construed as a waiver of a subsequent breach of the same or any other term. The consent or approval given by any party with respect to any act by the other party requiring such consent or approval shall not be deemed to waive the need for further consent or approval of any subsequent similar act by such party.

### Indemnification and Defense of Suits

The Firm agrees to indemnify, hold harmless, and defend the Village, its officers, agents and employees from any and all liability including claims, demands, damages, actions or causes of action, together with any and all losses, costs, or expense, including attorney fees, where such liability is founded upon or grows out of the acts, errors, or omissions of the Firm, its employees, agents or subcontractors.

### Contract Period

The term of this contract shall commence no later than December 1, 2026. The contract will be for three (3) years (2026, 2027, 2028).

### Termination of Contract for Cause

If through any cause, the Firm shall fail to fulfill in a timely and proper manner the obligations under this contract, or if the Firm shall violate any of the covenants, agreements or stipulations of this contract, the Village shall thereupon have the right to terminate this contract by giving written notice to the Firm specifying the effective date thereof, at least five (5) days before the effective date of such termination. In such event, all finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs, reports or other materials related to the services prepared by the Firm under this contract shall, at the option of the Village, become the property of the Village of Hales Corners.

Notwithstanding the above, the Firm shall not be relieved of liability to the Village for damages sustained by the Village by virtue of any breach of the contract by the Firm, and the Village may withhold any payments to the Firm for the purpose of set off until such time as the exact amount of damages due to the Village from the Firm is determined.

### Auditor Access

All parties contracting with the Village, shall upon request, provide access to and furnish the Village auditors with requested information, records and reports regarding powers, duties, activities, organization, property, financial transactions, methods of operation, or any and all other records, reports or information in their custody. In addition, they shall provide access for the auditors to inspect all property, equipment and facilities within their custody.

## **J. Proposal Requirements**

### Title Page

The proposal should identify the subject, the name of the Firm, address, telephone number, fax number, email address, name and title of the contact person, and the date of submission. The response should confirm that the proposal is effective for ninety (90) days from the date submitted.

### Table of Contents

The table of contents of the proposal should include a clear and complete identification of the materials submitted by section and page number.

### Letter of Transmittal

The letter of transmittal should summarize the following information:

1. A brief understanding of the services to be performed.
2. A positive commitment to perform the services as specified.

3. The name(s) of the person(s) authorized to represent the Firm, their title, address, telephone number, fax number and email address if different from the individual who signs the transmittal letter.

#### Certification of License to Practice in Wisconsin

Firm must affirm that they are licensed to practice as Certified Public Accountants in the State of Wisconsin. Firm must also affirm that they do not have a history of substandard work.

#### Certificate of Independence

Firm must certify that they firm, partners and all staff members assigned to the engagement are free from impairments to independence with respect to the Village of Hales Corners, as defined by generally accepted auditing standards and the U.S. General Accounting Office's Government Auditing Standards. Firm must commit to maintaining an independent attitude and appearance through the full term of the engagement.

#### **A. Profile of the Firm**

This section should include information on:

1. The type of organization and the size of the Firm.
2. The location of the office from which the work is to be performed, and the number of partners, managers, supervisors, seniors and other professional staff employed at that office.
3. The length of time the Firm has been in existence, as well as the length of time the Firm has been performing audits of local governments.

#### **B. Firm's Qualifications**

This section should include the following:

1. Resumes of all key staff members to be assigned to the engagement. The resumes should include experience and educational information relative to the work proposed. In addition, list detailed time commitments of all key staff members. The Firm shall not replace any key staff member without approval of the Village, whose approval will not be reasonably withheld. The resumes may be included as an appendix.
2. Description of the Firm's recent experience with local government audits of local government clients similar to that being requested. Provide references from at least three prior or current clients, including the names, titles, addresses, telephone numbers and email address of key client staff members.
3. Information regarding the Firm's participation in or with the Governmental Finance Officers Association, Governmental Accounting Standards Board, American Institute of

Certified Public Accountants, Wisconsin Institute of Certified Public Accountants, government accounting forums, government cognizant agencies and other organizations.

4. A description of the Firm's quality control procedures, audit review processes and date of latest peer review.
5. Any other information relevant to the Firm's qualifications for the proposed engagement. This could include library or research facilities, specialized technical expertise, IT resources, etc.
6. The Firm shall also provide information on the results of any federal or state desk reviews of field reviews of its audits during the past three years. In addition, the Firm shall provide information on the circumstances and status of any disciplinary action taken or pending against the firm during the past three years with state regulatory bodies or professional organizations.

### **C. Firm's Approach to the Examination**

1. An outline of the work plan for the audit, including the following:
  - a. A description of the basic audit program.
  - b. Use of statistical sampling.
  - c. Use of technical specialists.
  - d. Organization of audit team and approximate percentage of time spent on audit.
  - e. Sample management letter.
  - f. Typical assistance expected from governments staff.
  - g. Tentative schedule for completing audit within time required.
2. An outline of the estimated hours for each segment of the engagement, including the level of staff and number of hours to be assigned to each proposed segment of the engagement.
3. Description of process for work papers to be transferred between audit firm and staff.

### **K. Cost Proposal**

The cost proposal should include a "not to exceed" fee for each year, **inclusive of all costs**. Any costs not identified in the proposal or subsequent to the award of the contract shall not be permitted. Any special projects outside the scope of this request would be negotiated separately.

The dollar cost proposal should be prepared in the following format:

	2026	2027	2028
	<u>Audit</u>	<u>Audit</u>	<u>Audit</u>
Village General Audit			
TIF –Compiled Financial Statements			
State Form C			
Technology or other fees			
Health Department Program Audits			
Additional Fees (if any) to implement GASB pronouncements			
Total Costs			

A schedule of rates for each staff category should be provided by year in the following format:

	2026	2027	2028
Category:	<u>Audit</u>	<u>Audit</u>	<u>Audit</u>
Partner			
Manager			
Supervisor			
Senior			
Staff			

#### **L. Evaluation of Proposals**

The proposals will be evaluated by the Audit Review Committee. The proposals will be evaluated based upon expertise and qualifications, scope of service proposed, references, organization capability to complete the service in a timely manner and cost of proposal. It is anticipated that the Village Board will select a firm on September 14, 2026.

Submission of a proposal indicates acceptance by the Firm of conditions contained in this request for proposals unless clearly and specifically noted in the proposal submitted and confirmed in the contract between the Village of Hales Corners and the firm selected.

The Village of Hales Corners reserves the right without prejudice to reject any or all proposals.

#### **M. Professional Service Contract**

If your proposal is accepted and a contract is issued, then this Request for Proposal and all documents attached hereto including any amendments, the Firm’s technical and price proposals, and any other written offers/clarifications made by the Firm and accepted by the Village will be incorporated into a contract between the Village and the Firm, it shall contain all the terms and conditions agreed on by the parties hereto, and no other agreement regarding the subject matter of this proposal shall be determined to exist or bind any of the parties hereto. A sample of the Village’s professional services agreement is included as “Exhibit A” in this RFP.

The submission of a proposal shall be considered as a representation that the Firm has carefully investigated all conditions, has full knowledge of the scope, nature and quality of work required, and

is familiar with all applicable State, Federal and Local regulations that affect, or may at some future date affect the performance of this contract.

Acceptance of this proposal will take place only upon award by the Village Board, execution of the contract by the proper Village Officials, and delivery of the fully-executed contract to the Firm. Acceptance may be revoked at any time prior to delivery of the fully-executed contract to the successful firm. The contract may be amended only by written agreement between the Firm and the Village of Hales Corners.