

REQUEST FOR PROPOSAL AUDIT OF MAYFIELD BOROUGH FEDERALLY FUNDED GRANTS

PROJECT DESCRIPTION

Mayfield Borough, Lackawanna County, Pennsylvania is currently the recipient of three (3) federally funded grants that require an audit be conducted by a Certified Public Accountant (CPA).

BACKGROUND

Mayfield Borough has applied for and has been approved for three federally funded grants. The grants are either directly funded by the Federal Government or indirectly through Commonwealth of Pennsylvania Departments. Those grants are:

- 1, Pre-Disaster Mitigation (PDM) Grant through the Pennsylvania Emergency Management Agency (PEMA), Agreement Number EMP-2023_PD-0003 for fiscal year (FY) 2023. Mayfield Borough is the recipient of subgrant Number LPDM-PJ-03-PA-2023-003 for Mayfield Levee Update in the amount of \$2,327,734.00. Mayfield Borough must provide \$258,637.00 as matching funds for a total project budget of \$2,586,371.00,
2. Pennsylvania Department of Environmental Protection, Bureau of Abandoned Mine Reclamation, Century Logistics Center, DEP Project No. OSM 35(1760)103.1, Grant Document No. C990004763, in the amount of \$14,974,183.00, awarded June 24, 2024.
3. Pennsylvania Department of Transportation, Transportation Alternatives Set-Aside (TASA) for the Mayfield Elementary School Sidewalk Project in the amount of \$388,114.00, awarded on or about April 29, 2024.

SCOPE OF WORK

Mayfield Borough must comply with all Federal and State audit requirements. The threshold for triggering an audit is when the local government expends total Federal awards of one million dollars (\$1,000,000) or more during its fiscal year. The Borough's fiscal year is January 1 to December 31. This amount has been amended from the previous threshold indicated in the Grant Agreement documents of seven hundred fifty thousand dollars (\$750,000) during a fiscal year. Currently, only Grant No. 2 noted above will have exceeded the threshold in the year 2025. To date, no funds have been expended for either Grant Nos. 1 and 3. It is anticipated that funds from all three grants will exceed the threshold in the year 2026. Therefore, the work contemplated under this RFP would involve two separate audits, one for year 2025 and one for year 2026. The audit requirements are contained in

the appended Abandoned Mine Land & Acid Mine Drainage Grant Program Agreement, in particular, but not limited to, Attachment E of the Agreement.

PROPOSED SUBMISSION AND DELIVERABLES

1. The CPA will provide certifications and a statement of qualifications with emphasis on related work or experience and years of experience of any and all staff involved with the audit. References of related work including contact names, telephone numbers and email addresses are preferred but not required.
2. The CPA's fee shall include any document reviews, meetings with the Borough officials or staff as it pertains to the audit, travel expenses, report preparation, copying, etc., in short, any and all expenses involved with the audits. The CPA shall provide an hourly service fee for all professionals and support staff assigned to the audit. The hourly service fee schedule shall reflect the rates for the 2025 and 2026 audits. A total cost for both audit years shall be indicated in the proposal.
3. The CPA shall submit the required audit reports and copies and assist the Borough with the submission of any and all such audit information to the appropriate State and or Federal agencies.
4. It is expected that the CPA will complete all of the relevant reports within the time frames noted in Attachment E and provide a time line indicating how the CPA will meet or exceed the time requirements.
5. Payments for completed services will be made upon presentation of the invoices detailing the work completed. A ten percent (10%) retention will be withheld on each invoice pending the submission and acceptance of the completed audit. The CPA acknowledges that payment for services rendered are contingent upon the reimbursement of grant funds to the Borough by the Department of Environmental Protection.
6. The proposal and one (1) full and exact copy of the proposal shall be submitted to Mayfield Borough, in a sealed envelope clearly marked as "Audit Request for Proposal", 739 Penn Avenue, Mayfield, PA 18433 by 4:00 P.M., EST, Wednesday, March 11, 2026.

FEDERAL REQUIREMENTS

1. General Federal Funding. If this agreement is funded, in whole or in part, with funds from the Federal Government, or by non-Federal funds used to match a federal grant, the following provisions apply:
 - A. All work under this agreement must be performed in accordance with applicable statutes, rules, and regulations of the Federal Government. All applicable Federal statutes and provisions of the Code of Federal Regulations (CFR) in effect on the date of execution of this agreement are an integral part of this agreement.
 - B. All applicable contract provisions specified by the Federal Government are an integral part of this agreement.
2. EPA Funding. If this agreement is funded, in whole or in part, by a grant from the United States Environmental Protection Agency (EPA), all applicable provisions of 40 CFR Parts 31, 33, and 35 (Subpart O), in effect on the date of the Assistance Award for this Project, are an integral part of this agreement. Further, Grantee shall comply with the provisions pertaining to conflict of interest set forth at 40 CFR §35.6550(b)(2)(ii) and the MBE/WBE reporting requirements detailed more thoroughly in Section 6 of these terms.
3. Rights to Inventions Made Under a Contract or Agreement. Contracts or agreements for the performance of experimental, developmental, or research work must provide for the rights of the Federal Government and the recipient in any resulting invention in accordance with 37 CFR Part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the Federal Grantor Agency. Further this agreement is subject to Federal Grantor Agency requirements and regulations pertaining to reporting and patent rights if the agreement involves research, developmental, experimental or demonstration work with respect to any discovery or invention which arises or is developed in the course of or under this agreement, as well as Federal Grantor Agency requirements and regulations pertaining to copyrights and rights in data.
4. Equal Employment Opportunity. The Grantee shall comply with Executive Order 11246, "Equal Employment Opportunity," as amended by Executive Order 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and as supplemented by regulations at 41 CFR Part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor."
5. General Audit Requirements.
 - A. Audit Requirements. The Grantee shall comply with all Federal and State audit requirements including: the Single Audit Act Amendments of 1996; Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 2 CFR Part 200 ("Uniform Guidance at 2 CFR Part 200"); and any other applicable law or regulation and any amendment to any other applicable law or regulation that may be enacted or promulgated by the Federal government. In instances where a Federal program-specific audit guide is applicable, the audit report package

for a program-specific audit may be different and should be prepared in accordance with the audit guide and Uniform Guidance at 2 CFR Part 200.

B. Audit Thresholds.

- i. If the Grantee is a local government or non-profit organization and expends total Federal awards of \$750,000 or more during its fiscal year, received either directly from the Federal Government or indirectly through the Department, the Grantee is required to have an audit made in accordance with the provisions of Uniform Guidance at 2 CFR Part 200.
- ii. If the Grantee expends total Federal awards of less than \$750,000 during its fiscal year, it is exempt from the audit requirements of Uniform Guidance at 2 CFR Part 200, but is required to maintain auditable records of Federal awards and any state funds that supplement the awards, and to provide access to those records by Federal and state agencies or their designees.

C. Submission of Audit Information to the Commonwealth. The Grantee shall submit copies of the audit report package to the Commonwealth. The audit report package must include:

- i. the Data Collection Form;
- ii. financial statements and schedule of expenditures of Federal awards;
- iii. Auditor's reports on the financial statements and schedule of expenditures of Federal awards, internal control, and compliance as well as a schedule of findings and questioned costs;
- iv. a summary schedule of prior audit findings;
- v. a corrective action plan, if applicable; and
- vi. a Management letter comments.

The Grantee shall submit audit information to the Pennsylvania Office of the Budget, Bureau of Accounting and Financial Management, electronically, in the manner described on the Office of the Budget's webpage for Single Audit Submissions: <https://www.budget.pa.gov/Services/ForGranteesAndSubrecipients/Pages/SingleAuditSubmissions.aspx>.

D. Required Auditing Standards. The Grantee is responsible for obtaining the necessary audit and securing the services of a certified public accountant or other independent governmental auditor. Federal regulations preclude public accountants licensed in the Commonwealth of Pennsylvania from performing audits of Federal awards. The Grantee's auditor shall retain the audit documentation and audit reports for a minimum of five years from the date of issuance of the audit report, unless the Grantee's auditor is notified in writing by the Commonwealth or the cognizant or oversight Federal agency to extend the retention period. The Grantee's auditor must make the audit documentation available upon request to authorized representatives of the Commonwealth, the cognizant or oversight agency, the Federal funding agency, or the Government Accountability Office.