



**PROFESSIONAL AUDITING SERVICES
REQUEST FOR PROPOSALS**

**164 EAST LINCOLN HWY
DEKALB, ILLINOIS 60115**

CITY OF DEKALB REQUEST FOR PROPOSALS FY2025 – FY2029

Bid/Proposal Cover Sheet

Name of Project: Request for Proposals for Auditing Services (RFP)

General Description of Project: Comprehensive provision of professional services for annually auditing the City of DeKalb and preparing the Annual Comprehensive Financial Report.

Website Link: <http://www.cityofdekalb.com/bids.aspx>

Type of Bid: Request for Proposals

City Representative

Name: Susan Hauman

E-Mail: susan.hauman@cityofdekalb.com

Phone: 815-748-2388

Bid Release Date: August 11, 2025

Last Day for Questions: August 18, 2025

Question Response Date: September 5, 2025

Bid Due Date: September 12, 2025, 2:00 p.m.

All Proposals must be received at the Finance Department, City of DeKalb Municipal Building, 164 E. Lincoln Highway, DeKalb, IL 60115, no later than 2:00 P.M. on the Bid Due Date outlined above.

I. INTRODUCTION

A. General Information

The City of DeKalb ("City") is requesting proposals from qualified firms of certified public accountants to audit its financial statements for the fiscal years ending:

- December 31, 2025
- December 31, 2026
- December 31, 2027
- December 31, 2028
- December 31, 2029

These audits are to be performed in accordance with generally accepted auditing standards, the standards set forth for financial audits in the General Accounting Office's (GAO) *Government Auditing Standards* (1994), the provisions of the federal Single Audit Act of 1984 (as amended in 1996) and U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*, and pursuant to the terms and conditions of the Auditing Services Agreement attached as Exhibit B.

The City reserves the right to make clarifications, corrections, or changes in this Request for Proposals ("RFP") at any time prior to the deadline for the submission of proposals. All proposers or prospective proposers that register with the City will be informed of said clarifications, corrections, or changes.

During the evaluation process, the City reserves the right, where it may serve the City's best interest, to request additional information or clarification from proposers, or to allow proposers to correct errors or omissions. At the discretion of the City, firms submitting proposals may be requested to make oral presentations as part of the evaluation process.

B. Subcontracting

The selected auditor shall not be permitted to use subcontractors to provide auditing services to the City without the prior consent of the City, which the City may withhold the consent.

C. Key Dates

- | | |
|--|-------------------|
| • Request for Proposals issued: | August 11, 2025 |
| • Questions from proposers due to the City Director of Financial Services: | August 18, 2025 |
| • Issuance of answers to questions provided to all registered proposers: | September 5, 2025 |

- PROPOSAL DUE DATE: SEPTEMBER 12, 2025, 2:00 P.M.
- Expected selection of auditor September 30, 2025

II. DESCRIPTION OF THE GOVERNMENT

A. Principal Contact

The City's principal contact for the auditor will be Susan Hauman, Director of Financial Services, or her designated representative, who will coordinate the assistance to be provided by the City to the auditor.

B. Background Information

The City of DeKalb is an urban community with a vital commercial base located in a rural setting. It is located approximately 60 miles west of Downtown Chicago. The City's approximate land area is 15.55 square miles, all of which is located within DeKalb County. Neighboring communities include Sycamore, Malta, and Cortland. The City's current official population is 40,290 as of the 2020 Census. The City is a home rule unit operating under the council-manager form of government.

The City provides general services including community development, human services, engineering, public works, police and fire protection. The City employs approximately 250 full-time equivalent employees.

The accounting and financial reporting functions of the City are centralized, with the exception of the pension funds and the DeKalb Public Library which is a component unit of the City.

The City's fiscal year currently begins on January 1st and ends on December 31st.

More detailed information on the government and its finances can be found on the City's website under the Government and Finance Department. <http://www.cityofdekalb.com>

C. Magnitude of Finance Operations

The Finance Department is directed by Bill Nicklas, City Manager, and consists of 6 employees. The principal functions performed, and the number of employees assigned to each is as follows:

<u>Function</u>	<u>Number of Employees</u>
Director of Financial Services	1
Senior Accountant	1
Accountant	1
Account Tech I	2
Account Tech III	1

The City uses BS&A Software for its financial accounting, with PC's networked and utilizes Microsoft office products.

E. Audit Preparation

The Finance Department will prepare all year-end entries to the best of their ability and provide a trial balance and all supporting documentation at the commencement of the audit. The City will prepare all audit confirmations as requested by the audit team. The auditors will mail out the confirmations for the City.

III. SCOPE OF SERVICES

A. Entity

The City comprises all functions and activities of municipal operations. The City's financial statements include all funds, departments, agencies, boards, commissions and other organizations over which the City officials exercise oversight responsibility.

B. Scope of Work to be Performed

The City desires the auditor to express an opinion on the fair presentation of the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information in conformity with generally accepted accounting principles.

The examination must meet the requirements of the Government Auditing Standards issued by the Comptroller General of the United States, and the provisions of the Office of Management and Budget Circular A-133, "Audits of State and Local Governments."

It will be the responsibility of the successful proposer to obtain any of the standards or guides governing this audit.

The auditor is not required to audit the supporting schedules contained in the Annual Comprehensive Financial Report. However, the auditor is to provide an "in-relation-to" opinion on the supporting schedules based on the auditing procedures applied during the audit of the financial statements that collectively comprise the City as a whole.

The auditor is not required to audit the introductory section of the report or the statistical section of the report. The auditor shall, however, complete those sections of the statistical report that are derived from the resulting audit work.

The auditor shall also be responsible for performing certain limited procedures involving required supplementary information required by the Governmental Accounting Standards Board as mandated by generally accepted auditing standards.

Following the completion of the audit of the fiscal year's financial statements, the auditor shall issue the following reports:

1. A report on the fair presentation of the financial statements in conformity with generally accepted accounting principles, including an opinion on the fair presentation of the supplementary schedule of expenditures of federal awards "in relation to" the audited financial statements. Twelve (12) bound copies of the Annual Comprehensive Financial Report and a searchable PDF file are to be provided by the auditor;
2. A report on compliance and internal control over financial reporting based on an audit of the financial statements. A PDF file is to be provided by the auditor;
3. If required, a separate report in accordance with OMB Circular A-133 (Single Audit Act). This report will be included as a separate section in the Annual Comprehensive Financial Report and in a searchable PDF;
4. TIF Compliance Report;
5. Other reports and related services as mutually agreed to by the audit firm selected and the City; and
6. The auditors shall be required to make an immediate written report of all irregularities and illegal acts of which they become aware of and present such report to the City Manager.

In addition, the firm shall respond to the reasonable inquiries of successor auditors and allow successor auditors to review working papers relating to matters of continuing accounting significance.

Additional Services

1. The Annual Financial Report that must be filed with the State of Illinois shall be prepared by the auditor and filed by the auditor with one copy provided to the City as well as a searchable PDF.
2. The auditor will provide rates by employee type for any additional accounting services that the City will potentially require over the term of the agreement.
3. Preparation and filing of Illinois Department of Financial and Professional Regulation Fire and Police Pension Reports.

C. Funds

The City accounts for its financial activity on a fund accounting basis. Currently, the following funds are maintained and subject to being audited:

<u>Type of Fund</u>	<u>Number of Funds</u>
General Fund	1
Special Revenue Funds	16
Debt Service Funds	1
Capital Projects Funds	3
Internal Service Funds	2
Enterprise Funds	5
Pension Trust Funds	2
Component Unit	1

The General Fund has an annual budget of \$51.0 million, and the Water Enterprise Fund has an annual budget of over \$9.63 million. Prior Financial Statements are available on the City's website and provide additional information on the City's fund structure.

Accounting for the police pension fund is provided by Lauterbach & Amen, as contracted by both the police pension funds. The annual budget of the police pension fund is just over \$7.82 million. The fire pension fund accounting is handled by city staff, with an annual budget of \$6.98 million. The City of DeKalb Library budget is \$4.77 million.

D. Financial Reporting

The auditor will prepare individual fund statements and supporting schedules for GASB 34 adjustments from the City's trial balance.

Report preparation, editing and printing shall be the responsibility of the auditor including supply of all items necessary for printing of the documents such as covers, dividers, and spines. The Transmittal letter, organizational chart and the Management's Discussion and Analysis section, along with any necessary letterhead will be provided by the City.

The auditor will meet with the City for a pre-audit discussion prior to the current fiscal year end to outline the audit calendar for the fiscal year.

While final responsibility for the financial statements rests with the City, the City expects that the auditor has sufficient expertise in governmental accounting and reporting to assure that all reporting requirements are met.

The auditor shall express an unqualified opinion on all individual funds and accept "in relation to" responsibility for supplemental data. If an unqualified opinion cannot be expressed, the auditor shall bring such matter to the attention of the City before the issuance of the report to determine whether or not the problems leading to a qualification can be resolved.

If required, the auditor shall provide a separate report in accordance with OMB Circular A-133 (Single Audit Act). This report will be included as a separate section in the Annual Comprehensive Financial Report.

E. Management Letter

If, during the course of the examination, the auditor finds any weaknesses in the City's internal controls, the auditor shall summarize such findings and recommendations in the form of a separate management letter to the City.

The auditor shall be available to meet with elected officials at evening meetings to answer questions regarding the proposal, the completed audit or management letter, if requested.

A partner or manager of the auditor shall be available not only during the audit preparation period, but also on an as-needed basis to answer questions or provide guidance on any particular issue that may arise throughout the agreement period.

F. Single Audits, Pension Audits and TIF audits.

It is anticipated that a single audit will be required one or more times in the five-year period. Please provide an estimate of a standard single audit price.

The City has both a Police and Fire Pension Fund. These funds will be audited during the course of the city's annual audit and included as a separate section in the Annual Comprehensive Financial Report. Please provide a price for this portion of the audit separately.

The City has two TIF Districts in FY2025. The City's auditor will also prepare the TIF audits and provide the TIF Reports needed to comply with Public Act 84-1142. Please provide a price for these audits separately.

G. Special Considerations

The City staff will prepare and submit the application for the City's annual comprehensive financial report to the Government Finance Officers Association of the United States and Canada for review in its Certificate of Achievement for Excellence in Financial Reporting program along with the necessary paperwork and responses. While the City is responsible for submitting the report and paying the applicable fee, the auditor shall assure that the City's ACFR conforms to the provisions of the program and that all appropriate and reasonable changes required by the prior year's comments are incorporated in the current year's report.

H. Date Audit May Commence

The City will have all records ready for audit and all management personnel available to meet with the selected firm's personnel at a mutually agreed upon schedule. The Annual Comprehensive Financial Report is presented to Council at the first meeting in June, typically on the second Monday of the month.

Filing of the State Comptroller's report must be done prior to six months following the fiscal year-end date. Failure to deliver or file a final report in a timely manner may result in the City terminating the engagement.

IV. PROPOSAL REQUIREMENTS

A. Inquiries

Any inquiries concerning the Request for Proposals and the subject of the Request for Proposals shall be submitted by email to the Director of Financial Services no later than August 18, 2025 at the following email address: susan.hauman@cityofdekalb.com.

All answers responding to inquiries and questions from proposers will be compiled and submitted to all proposers electronically in one general response memorandum by September 5, 2025.

B. Submission of Proposals

Please deliver one digital copy of the proposal via email to: susan.hauman@cityofdekalb.com.

The subject line of the email shall be clearly marked "FY2025 AUDIT RFP".

Proposals must be received no later than **2:00 p.m. CDT, September 12, 2025 ("Deadline")**. Proposals will not be opened publicly. Proposals submitted after the Deadline will not be opened. No oral, telephone, or facsimile proposals will be considered.

Each proposal should include the following:

1. Table of Contents - Clearly identify the material by section and page number.
2. Letter of Transmittal (limited to three pages) - Briefly outline and summarize the key elements of the proposal as to experience, qualifications, references, technical expertise, audit standards, understanding of the work to be performed, timing and fee.
3. Profile of the Proposer – Provide all information requested pursuant to Section IV.C of this RFP.
4. Audit Process – Describe the audit process and indicate the percentage of time spent by each individual on the audit team, as set forth in Section IV.D of this RFP.
5. Fee Proposal – the proposed fees should be presented using Exhibit A to this RFP. The proposed fees shall be the maximum, not to exceed fee for each fiscal year shown.

C. Profile of the Proposer

1. Describe the services that will be provided.
2. State the location of the office that will be providing services.
3. Identify the Partners, Managers/Supervisors and In-Charge Accountants who will perform the audit. Include resumes for each person listed detailing educational background, years of experience and client names for audits similar to the proposed examination that they have worked on.
4. Describe firm audit experience similar to the proposed examination. Provide client names and contact information of all Illinois municipal audit clients who have been served in the last two years. Please provide at least five total references (whether municipal clients or otherwise).
5. Provide the firm's most recent peer review.
6. Provide a recent Annual Comprehensive Financial Report prepared by your firm for a similar organization (if available).
7. Discuss the firm's governmental industry experience. Include training programs provided to the governmental entity by your firm.
8. Discuss the firm's community involvement. Specifically, as it pertains to the City.

D. Audit Process

1. Describe your audit approach.
2. List the percentage of time to be allocated on the audit:

Partner/Manager	_____
In-Charge Accountants (Seniors)	_____
Staff Accountants (Junior)	_____
Total	100%

E. Fee Proposal

1. The Fee proposal should contain all pricing information relative to performing the audit engagement as described in this RFP on a "not to exceed" basis for the years ending December 31, 2025, 2026, 2027, 2028 and 2029. The total all-inclusive maximum price proposed is to contain all direct and indirect costs including all out-of-pocket expenses.

2. The proposer shall complete Exhibit A. This is a maximum “not to exceed” fee in a series of one-year segments for a total of 5 audits.
3. At the end of each one-year segment, the City shall have the right, in its sole discretion, to terminate the agreement. To terminate the agreement, the City must notify the selected auditor of such termination in writing no later than August 1 of the fiscal year to be audited.
4. It is the City’s desire and expectation that the successful proposer will be retained for five years or 5 total audits.

F. Standard Terms and Conditions

Proposals submitted are offers only, and the decision to accept or reject is a function of quality, reliability, capability, reputation, and expertise of the firm’s submitting proposals. Issuance of this RFP does not oblige the City to pay any costs incurred by a proposer in its submission of a proposal or for the preparation of that proposal, and all such costs shall be solely borne by the proposer.

A proposer may withdraw its proposal, either personally or by written request, at any time prior to the deadline for submittals. No proposal shall be withdrawn 60 days after the date set for opening proposals. Proposals shall be subject to acceptance during this period.

The City reserves the right to accept the proposal that is, in its judgment, the best and most favorable to the interests of the City and to the public; to reject the proposal with the lowest fees; to accept any item of any proposal; to reject any and all proposals; and to waive irregularities and informalities in any proposal submitted or in the RFP process; provided, however, that the waiver of any prior defect or informality shall not be considered a waiver of any future or similar defect or informality. Proposers should not rely upon, or anticipate, such waivers in submitting their proposal.

V. EVALUATION OF PROPOSALS

- A. Proposals will be evaluated on the basis of which proposer best meets the requirements and needs of the City. Critical factors to be considered by the City include the proposer’s technical expertise, qualifications of the firms and audit teams, and fees proposed.
- B. The City reserves the right to interview proposing firms, if necessary. Please clearly list a contact person with the phone number and e-mail address in the event questions arise.

The City Council will consider final acceptance of the proposal, on the recommendation of the City Manager. The City anticipates that the selection will be made by the City Council at its October 13, 2025, Regular Meeting.

- C. All proposing firms will be notified of the result of this RFP via the e-mail address provided by each proposer in Exhibit A.

VI. AUDITING SERVICES AGREEMENT

The selected proposer will be invited to enter into an Auditing Services Agreement, on a form to be provided by the City, in substantially the same form as Exhibit B to this RFP. The City Council has the ultimate authority to approve a proposal and to authorize the execution of the Agreement.

EXHIBIT A**FEE PROPOSAL**

BASE PROPOSAL:	2025	2026	2027	2028	2029
* Preparation of the Annual Comprehensive Financial Report (12)					
* TIF Assurance Letters (2)					
* Single Audit Report (If necessary)					
TOTAL BASE PROPOSAL FEE					
*specific fees included in base proposal					
ADDITIONAL SERVICE:					
Preparation and filing of Annual Financial Report - State Comptroller					
TOTAL FEE:					
AUDIT HOURS SUMMARY					
Partner					
Manager					
Staff					
Clerical					
Total Hours					
ADDITIONAL SERVICE RATES					
Partner					
Manager					
Staff					
Clerical					

Firm Name: _____

Address: _____

Web Page: _____

Signature: _____

Printed Name: _____

Title:

Email:

Date:

EXHIBIT B

AUDITING SERVICES AGREEMENT BETWEEN THE CITY OF DEKALB AND [AUDITOR]

THIS AUDITING SERVICES AGREEMENT ("*Agreement*") is made and entered into as of the ____ day of _____, 2025 ("*Effective Date*"), by and between the **CITY OF DEKALB**, an Illinois home rule municipal corporation ("*City*"), and [AUDITOR], an Illinois _____ ("*Auditor*").

IN CONSIDERATION OF, and in reliance upon, the recitals and the mutual covenants set forth in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and the Auditor mutually agree as follows:

SECTION I: RECITALS.*

- A. The City is an Illinois home rule municipal corporation.
- B. The Auditor is a licensed [TYPE OF ENTITY] in Illinois.
- C. On August 11, 2025, the City issued a Professional Auditing Services Request for Proposals ("*RFP*"), requesting submission of proposals for the provision of audit services to the City in accordance with certain specifications.
- D. The City has reviewed the responses to the RFP and has determined that the proposal submitted by the Auditor is the most appropriate for the provision of audit services to the City.
- E. The Parties desire to enter into an agreement for the provision of audit services by the Auditor to the City, in accordance with certain specifications.
- F. The Parties desire to enter into this Agreement in order to memorialize the Parties' respective rights and responsibilities.

SECTION II: DEFINITIONS.

- A. **Definitions.** Whenever used in this Agreement, the following terms shall have the following meanings:

"Parties": The City and the Auditor, collectively.

* All capitalized words and phrases throughout this Agreement shall have the meanings set forth in the preamble above and in Section 2 and in the other provisions of this Agreement.

"Person": Any natural individual, corporation, partnership, individual, joint venture, trust, estate, association, business, enterprise, proprietorship, or other legal entity of any kind, either public or private, and any legal successor, agent, representative, authorized assign of the above, or other entity capable of holding title to, or any lesser interest in, real property.

"Requirements of Law": All applicable federal, state, and City laws, statutes, codes, ordinances, resolutions, orders, rules, and regulations, as the same have been and may from time-to-time hereafter be amended.

B. Rules of Construction.

1. Grammatical Usage and Construction. In construing this Agreement, pronouns include all genders, and the plural includes the singular and vice versa.
2. Headings. The headings, titles, and captions in this Agreement have been inserted only for convenience and in no way define, limit, extend, or describe the scope or intent of this Agreement.
3. Calendar Days. Unless otherwise provided in this Agreement, any reference in this Agreement to "day" or "days" shall mean calendar days and not business days. If the date for giving of any notice required to be given, or the performance of any obligation, under this Agreement falls on a Saturday, Sunday, or federal holiday, then the notice or obligation may be given or performed on the next business day after that Saturday, Sunday, or federal holiday.

SECTION III: SELECTION OF, AND ACCEPTANCE BY, THE AUDITOR.

The City shall, and does hereby, confirm the selection of the Auditor as the party designated to provide audit services to the City in the manner set forth in this Agreement. The Auditor shall, and does hereby, accept the selection and agrees to provide audit services to the City in the manner set forth in this Agreement.

SECTION IV: PROVISION OF AUDIT SERVICES.

A. General Provisions of Agreement. Except as specifically provided in the text of this Agreement, the Auditor shall, and does hereby agree to, provide audit services to the City in the manner set forth in the following documents (collectively, **"Services"**):

1. The RFP, a copy of which is attached to this Agreement as **Exhibit A**; and
2. The Auditor's Proposal, a copy of which is attached to this Agreement as **Exhibit B ("Auditor Proposal")**.

B. Conflicts.

1. Conflict Between an Exhibit and Text of Agreement. In the event of a conflict between an Exhibit and the text of this Agreement, the text of this Agreement shall control.
2. Conflict Between Exhibits. In the event of a conflict between the RFP and the Auditor Proposal, the RFP shall control.

C. Quality of Work. The Auditor shall provide, perform, and complete all of its obligations under this Agreement, or cause all of its obligations to be provided, performed and completed, in a proper and professional manner, consistent with the standards of professional practice and in full compliance with, and as required by or pursuant to, this Agreement.

D. Commencement of Investigation. The Auditor agrees to begin the examination of the City's financial statements and financial operations as soon after the acceptance of this Agreement to the mutual convenience of the City and the Auditor. The Auditor further agrees that it will conduct said examination with diligence as to ensure its completion at the earliest possible date with such efficiency and thoroughness as is expected under Generally Accepted Auditing Standards. The examination and Auditor's report shall be completed and a report delivered to the City on an agreed upon date set during the preliminary audit review each year. The Auditor shall file a State Comptroller's report prior to six months following the fiscal year-end each year.

E. Auditor's Working Papers. The Auditor agrees to adopt reasonable procedures as to ensure safe custody of its working papers. The Auditor agrees to make the working papers available for examination by the City as requested, and to provide copies of such working papers at the request of the City.

F. Corrections. The Auditor shall be responsible for the quality, technical accuracy, completeness and coordination of all reports, documents, data, information and other items and services under this Agreement. The Auditor shall promptly provide, to the satisfaction of the City, all corrective services necessary as a result of the Auditor's errors, omissions, negligent acts, or failure to meet warranty.

SECTION V: TERM.

This Agreement shall be in full force and effect from the Effective Date of this Agreement until the time that Auditor provides the City a final and complete audit of the City's 2029 fiscal year ("**Term**"), during which Term the Auditor shall provide Services for the fiscal years ending December 31, 2025, 2026, 2027, 2028, and 2029. The City shall have the right to terminate this Agreement in its sole discretion, provided that the City provides the Auditor with written notice not later than August 1st of the year following the fiscal year to be audited next by the Auditor pursuant to this Agreement. Notwithstanding anything contained in this Section to the contrary,

the City shall also have the right to terminate the Agreement upon failure of Auditor to meet any of its obligations under this Agreement.

SECTION VI: COSTS AND FEES.

- A. Agreement Amount.** The total amount to be paid by the City for all Services provided by the Auditor pursuant to this Agreement shall not exceed \$_____ (*"Agreement Amount"*). The Auditor acknowledges and agrees that the Agreement Amount includes all applicable federal, state, and City taxes of every kind and nature applicable to the services provided pursuant to this Agreement, as well as all taxes, contributions, and premiums for unemployment insurance, old age or retirement benefits, pensions, annuities, or similar benefits, which shall be the sole responsibility of Auditor. All claims or rights to claim additional compensation by reason of the payment of any such tax, contribution, premium, cost, royalty, or fee are hereby waived and released by the Auditor.
- B. Payment Schedule.** The Parties acknowledge and agree that the City shall pay the Auditor based on services rendered according to **Exhibit C**. Payment will be made upon receipt of progress billings with final payment made after receipt of the Annual Comprehensive Financial Report and other audits as applicable.
- C. Changes in Costs and Fees.** The Parties acknowledge and agree that all costs and fees specified in this Agreement or in Exhibit C shall not increase or decrease during the Term without the prior express written consent of each of the Parties.
- D. Additional Services.** The Auditor shall not implement or provide any services outside the scope of this Agreement or any Exhibit thereto prior to (1) delivery by the Auditor to the City of a written proposal, including costs and fees, for the additional services, and (2) receipt of prior written consent by the City of the proposal.
- E. Termination.** Notwithstanding the foregoing to the contrary, if this Agreement is terminated by the City prior to Auditor's provision of a final and complete audit of the City's 2029 fiscal year, the City shall pay the Auditor based on actual services rendered on a quantum meruit basis; provided, however, that the cost(s) of service(s) rendered shall not exceed the respective individual and aggregate fee(s) in Auditor's Fee Proposal attached hereto and incorporated herein by reference.

SECTION VII: WAIVER OF BREACH.

A waiver by the City or the Auditor of a breach by any party to this Agreement of any covenant or condition of this Agreement shall not impair the right of the party or parties not in default to avail itself or themselves of any subsequent breach thereof. Leniency, delay, or failure of the party or parties to insist upon strict performance of any agreement, covenant, or condition of this Agreement, or to exercise any right within this Agreement given in any one or more instances, shall not be construed as a waiver or relinquishment of any such agreement, covenant, condition, or right.

SECTION VIII: REPRESENTATIONS AND WARRANTIES.

A. By the City. The City represents and warrants the Auditor as follows:

1. The City has the authority and the legal right to make, deliver, and perform this Agreement, and has taken or will take all necessary actions and obtain all required consents and approvals to authorize the execution, delivery, and performance of this Agreement.
2. To the best of the knowledge of the legal representatives of the City, the execution, delivery, and performance of this Agreement is not prohibited by any requirement of law or under any contractual obligation of the City, will not result in a breach or default under any agreement to which the City is a party or is bound, and will not violate any restriction, court order, or agreement to which the City is subject.
3. The parties executing this Agreement on behalf of the City and executing and delivering any other agreement or other item contemplated by this Agreement or otherwise required to fulfill the City's obligations under this Agreement, have full authority to bind the City to such obligations and to so act on behalf of the City.
4. To the best of the knowledge of the legal representatives of the City, as of the Effective Date of this Agreement, there are no actions or proceedings by or before any court, governmental commission, board or bureau or any other administrative agency pending or being threatened against the City that would impair the City's ability to perform its obligations under this Agreement.

B. By the Auditor. The Auditor represents and warrants the City as follows:

1. The Auditor has the authority and the legal right to make, deliver, and perform this Agreement, and has taken or will take all necessary actions and obtain all required consents and approvals to authorize the execution, delivery, and performance of this Agreement.
2. To the best of the knowledge of the legal representatives of the Auditor, the execution, delivery, and performance of this Agreement is not prohibited by any requirement of law or under any contractual obligation of the Auditor, will not result in a breach or default under any agreement to which the Auditor is a party or is bound, and will not violate any restriction, court order, or agreement to which the Auditor is subject.
3. The parties executing this Agreement on behalf of the Auditor and executing and delivering any other agreement or other item contemplated by this Agreement or otherwise required to fulfill the Auditor's obligations under this Agreement, have full authority to bind the Auditor to such obligations and to so act on behalf of the Auditor.

4. To the best of the knowledge of the legal representatives of the Auditor, as of the Effective Date of this Agreement, there are no actions or proceedings by or before any court, governmental commission, board or bureau or any other administrative agency pending or being threatened against the Auditor that would impair the Auditor's ability to perform its obligations under this Agreement, and that the Auditor possesses all required skill and licensure to lawfully and professionally prepare the reports contemplated herein.

SECTION IX: INDEMNIFICATION.

The Auditor shall, without regard to the availability or unavailability of any insurance of the City, indemnify and hold harmless the City, and its respective officers, members, officials, employees, agents, attorneys, and representatives from and against any and all third-party lawsuits, claims, demands, damages, liabilities, losses, and expenses (including reasonable attorneys' fees and administrative expenses), that may be sustained or incurred as a result of or in connection with the Auditor's performance of, or failure to perform, its obligations under this Agreement, whether or not due or claimed to be due in whole or in part to the active, passive, or concurrent negligence or willful misconduct of the Auditor, but not including third-party lawsuits, claims, demands, damages, liabilities, losses, and expenses (including reasonable attorneys' fees and administrative expenses) sustained or incurred solely as a result of the gross negligence or willful misconduct of the City. The Auditor's obligations required pursuant to this Section 9 shall survive the termination of this Agreement.

Additionally, with respect to any personnel of the Auditor that may perform services at City-owned premises, the Auditor shall provide workers compensation insurance in amounts that shall satisfy all applicable laws. To the extent that any such personnel may bring any form of claim or suit against the City or any employee or representative thereof, the Auditor shall indemnify, defend and hold harmless the City (and the additional indemnified identified above) from such claim or demand in its entirety and without limitation by any statutory defense otherwise available to Auditor as employer.

SECTION X: ENFORCEMENT.

- A. **General.** The Parties may, in law or in equity, by suit, action, mandamus, or any other proceeding, enforce this Agreement.
- B. **No Personal Liability.** The Auditor acknowledges and agrees that no elected or appointed official, agent, representative, employee or attorney of the City shall be personally liable, in law or in contract, to the Auditor as the result of the execution of this Agreement.

SECTION XI: GENERAL PROVISIONS.

- A. **Notices.** All notices required or permitted to be given under this Agreement shall be given by the Parties by (i) personal delivery, (ii) deposit in the United States mail, enclosed in a sealed envelope with first class postage thereon, or (iii) deposit with a nationally recognized overnight delivery service, addressed as stated in this Section. The address of

any Party may be changed by written notice to the other Parties. Any mailed notice shall be deemed to have been given and received within three days after the same has been mailed and any notice given by overnight courier shall be deemed to have been given and received within 24 hours after deposit. Notices and communications to the Parties shall be addressed to, and delivered at, the following addresses:

If to the City: City of DeKalb
164 E. Lincoln Hwy.
DeKalb, IL 60115
Attention: Director of Financial Services

with a copy to: City of DeKalb
164 E. Lincoln Hwy
DeKalb, IL 60115
Attention: City Attorney

If to the Auditor: _____

Attention: _____

- B. Time of the Essence.** Time is of the essence in the performance of all terms and provisions of this Agreement.
- C. Rights Cumulative.** Unless expressly provided to the contrary in this Agreement, each and every one of the rights, remedies, and benefits provided by this Agreement shall be cumulative and shall not be exclusive of any other rights, remedies, and benefits allowed by law.
- D. Binding Effect.** This Agreement and the privileges, obligations, and provisions contained herein shall inure to the benefit of, and be binding upon, the City, the Auditor, and their heirs, personal representatives, and successors.
- E. Assignment.** Neither the City nor the Auditor shall assign this Agreement, in whole or in part, or any of its rights or obligations under this Agreement, without the prior express written approval of the other party, which approval may be withheld in the sole and unfettered discretion of the other party.
- F. Consents.** Unless otherwise provided in this Agreement, whenever the consent, permission, authorization, approval, acknowledgement, or similar indication of assent of any Party, or of any duly authorized officer, employee, agent, or representative of any Party, is required in this Agreement, the consent, permission, authorization, approval, acknowledgement, or similar indication of assent shall be in writing.
- G. Documents.** Notwithstanding the Auditor's possession of any documents, data, or information, in any form, prepared, collected, or received by the Auditor from the City in connection with any or all of the Services to be performed under this Agreement ("**City**

Documents”), the City Documents shall be and remain the exclusive property of the City. At the City’s request, or any time after termination of this Agreement, the Auditor shall cause any City Documents or copies thereof to be promptly delivered to the City in accordance with the Auditor’s usual and customary practices for the retention, storage, and destruction of such Documents. This provision shall survive termination of the Agreement.

- H. Governing Law.** This Agreement shall be governed by, construed, and enforced in accordance with the internal laws, but not the conflicts of laws rules, of the State of Illinois. Venue for any dispute arising out of or relating to this Agreement shall be exclusively fixed in the Twenty-Third Judicial Circuit Court of DeKalb County, Illinois.
- I. Severability.** It is hereby expressed to be the intent of the Parties that should any provision, covenant, agreement, or portion of this Agreement or its application to any Person or property be held invalid by a court of competent jurisdiction, the remaining provisions of this Agreement and the validity, enforceability, and application to any Person or property shall not be impaired thereby, but the remaining provisions shall be interpreted, applied, and enforced so as to achieve, as near as may be, the purpose and intent of this Agreement to the greatest extent permitted by applicable law.
- J. Entire Agreement.** This Agreement and the Exhibits thereto constitute the entire agreement of the Parties relative to the subject matter of this Agreement, expressly superseding all prior agreements and negotiations between and among the Parties, whether written or oral, relating to the subject matter of this Agreement.
- K. Interpretation.** This Agreement shall be construed without regard to the identity of the Party who drafted the various provisions of this Agreement. Moreover, each and every provision of this Agreement shall be construed as though all parties to this Agreement participated equally in the drafting of this Agreement. As a result of the foregoing, any rule or construction that a document is to be construed against the drafting party shall not be applicable to this Agreement.
- L. Exhibits.** Exhibits A, B, and C attached to this Agreement are, by this reference, incorporated into, and made a part of, this Agreement.
- M. Amendments and Modifications.** No amendment or modification to this Agreement shall be effective until it is reduced to writing and approved and executed by the City and the Auditor in accordance with all applicable statutory procedures.
- N. Changes in Laws.** Unless otherwise provided in this Agreement, any reference to existing law shall be deemed to include any modifications of, or amendments to, existing law that may occur in the future.
- O. No Third-Party Beneficiaries.** No claim as a third-party beneficiary under this Agreement by any person, firm, or corporation shall be made, or be valid, against the City or the Auditor.

P. Counterpart Signatures. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the Effective Date.

ATTEST:

CITY OF DEKALB

By: _____
Mayor

ATTEST:

[AUDITOR]

By: _____

Its: _____

Its: _____

ACKNOWLEDGMENTS

STATE OF ILLINOIS)
) SS.
COUNTY OF DEKALB)

This instrument was acknowledged before me on _____, 2025,
by Bill Nicklas, the City Manager of the **CITY OF DEKALB**, an Illinois municipal corporation,
and by Ruth A. Scott, the Executive Assistant of said municipal corporation.

Signature of Notary

SEAL

My Commission expires:

STATE OF ILLINOIS)
) SS.
COUNTY OF _____)

The foregoing instrument was acknowledged before me on
_____, 2025, by _____,
the _____ of _____ [AUDITOR],
an Illinois _____, and by _____, the
_____ of said _____.

Signature of Notary

SEAL

My Commission expires:

EXHIBIT A

RFP

EXHIBIT B
AUDITOR PROPOSAL

EXHIBIT C
PAYMENT SCHEDULE