



CERTIFIED PUBLIC ACCOUNTANT (CPA) / EMPLOYEE BENEFITS CONSULTING REQUEST FOR PROPOSAL

The City of Waukegan is seeking proposals for a consultant to assist in a 45 to 60 day project. The City seeks the services of a CPA firm with employee benefits experience to assist with the review of a Firefighter Union (IAFF) proposed plan Voluntary Employees' Beneficiary Association (VEBA) plan.

As part of the recently ratified collective bargaining agreement with the Waukegan Firefighters Union (IAFF), the City agreed to cooperate with the Union's implementation of a Voluntary Employee Benefits Association (VEBA) plan for post-employment health care benefits. The City seeks guidance in the review of the IAFF proposed plan, and assistance in implementing payroll processing procedures to ensure any IRS and any other necessary requirements of the employer are in place effective for the 2020 calendar year.

There are three ways in which a City employee covered by the IAFF union contract may have deposits made into his or her VEBA via payroll. Firstly, IAFF covered employees receive one floating holiday on May 1st. If the day is not used during the fiscal year, the unused paid time off will be issued as payment to the employee via a deposit into their VEBA at fiscal year-end. Secondly, IAFF covered employees have a sick time bank maximum, with any accruals in overtime in excess of the maximum being issued as payment once annually to the employee via a deposit into their VEBA. Finally, upon retirement, any unused sick time is cashed out at 50% of the hourly rate via a lump-sum payment to the employee via a deposit into their VEBA. To the knowledge of the City's finance staff, there are no provisions in the union contract for employees to make voluntary contributions into the VEBA via City of Waukegan payroll.

Please submit a written proposal for on or before 3pm Thursday, November 7, 2019 to City Clerk Janet Kilkelly, 100 N. Martin Luther King Jr. Ave., Waukegan IL 60085 clearly marked "CPA Employee Benefits Consulting". Proposals submitted after the deadline will not be considered.

The City reserves the right to cancel this request, or to reject any and all proposals, and to make an award on that proposal found to be most advantageous to the City of Waukegan.

Any questions regarding the actual RFP should be directed to Tina Smigielski, tina.smigielski@waukeganil.gov or (847)599-6451

The proposal shall address the following criteria:

1. The Proposer should state the size of the firm, the size of the firm's employee benefit staff, the location of the office from which the work on this engagement is to be performed and the number and nature of the professional staff to be employed in this engagement. Indicate whether each such person is registered or licensed to practice as a certified public accountant in Illinois. If the Proposer is a joint venture or consortium, the qualifications of each firm comprising the joint venture or consortium should be separately identified and the firm that is to serve as the principal auditor should be noted, if applicable.
2. For the firm's office that will be assigned responsibility for the project, list the most significant engagements (maximum – 5) performed in the last five years that are similar to the engagement described in this Request for Proposal. Indicate the references name and the telephone number of the principal client contact.
3. Not-to-exceed cost of the assignment based on either an hourly estimate or lump sum engagement.
4. Relationships or activities that might present a conflict of interest for the City of Waukegan.
5. Level of malpractice insurance carried, including the deductible amount, to cover errors and omissions, improper judgments, or negligence.
6. Finally, kindly provide your firm's standard engagement letter and or agreement for engagement which may be reviewed



with suggested modification from the City's Corporation Counsel.

Selection of a firm will not be based on price alone, but also past experience with similar transactions and specific knowledge of Waukegan.