TOWN OF MONTVILLE
REQUEST FOR PROPOSALS
PROFESSIONAL AUDITING SERVICES

BID # 2027-04

November 9, 2026

The Town of Montville is interested in receiving proposals for professional auditing services for the fiscal years 2026, 2027 and 2028 with an option to extend an additional one year.

RFP specifications are available from the Finance Department, Montville Town Hall, 310 Norwich/New London Tpke. Uncasville, CT 06382 and on the town's website www.montville-ct.org.

All proposals are due no later than December 10, 2026 at 10:00 a.m. at the Finance Office All bids must be in a sealed envelope marked "RFP – Auditing Services". A Company official must sign all bids. The proposals will be opened publicly and read aloud at the Town Hall.

The Town of Montville reserves the right to reject any or all proposals and waive any informalities or irregularities in the procedures.

Julie Chapman
Director of Finance
Town of Montville
310 Norwich/New London Turnpike
Uncasville, CT 06382

TOWN OF MONTVILLE
REQUEST FOR PROPOSALS
PROFESSIONAL AUDITING SERVICES

TABLE OF CONTENTS

I. INTRODUCTION……4

General Information
Terms of Engagement

II. NATURE OF SERVICES REQUIRED 5

Scope of Work to be Performed
Auditing Standards to be Followed
Working Paper Retention
Irregularities and Illegal Acts
Implied Requirements

III. DESCRIPTION OF THE GOVERNMENT 7

Background Information
Magnitude of Finance Operations

IV. TIME REQUIREMENTS 8

A. Proposal Calendar
B. Date Audit May Commence
C. Date Reports Are Due

V. ASSISTANCE TO BE PROVIDED TO THE AUDITOR AND REPORT PREPARATION... 8

Administrative Services Department and Clerical Assistance
Work Area, Telephone, and Office Equipment
Report Preparation

VI. PROPOSAL REQUIREMENTS 9
General Requirements
Format for Technical Proposal
Contents of Technical Proposal
Contents of Cost proposal

TOWN OF MONTVILLE
TABLE OF CONTENTS (Continued)

VII. EVALUATION PROCEDURES 13

Review of Proposals
Evaluation Criteria

ATTACHMENT A
Audit Work Cost Proposal Form 15-16

ATTACHMENT B
Insurance..... 17-19

TOWN OF MONTVILLE
REQUEST FOR PROPOSALS
PROFESSIONAL AUDITING SERVICES

I. INTRODUCTION

A. General Information

The Town of Montville is requesting proposals from qualified certified public accountant firms to audit its financial statements for the fiscal years ending June 30, 2026, 2027, 2028 with the option of auditing its financial statements for one (1) subsequent fiscal year, in addition to performing other financial audits and reviews as specified below. These audits are to be performed in accordance with the provisions contained in this proposal and with the auditing standards generally accepted in the United States of America; *Government Auditing Standards* issued by the Comptroller General of the United States; the provisions of the federal Single Audit Act and the U.S. Office of Management and Budget (OMB) Circular A-133 *Audits of State and Local Governments and Non-Profit Organizations;* the provisions of the State Single Audit Act as set forth in Connecticut Office of Policy and Management concerning municipal audits, requirements of the State of Connecticut Department of Education, and such other requirements as shall be promulgated by various oversight agencies.

There is no expressed or implied obligation for the Town of Montville to reimburse responding firms for any expenses incurred in preparing proposals in response to this request. Materials submitted by respondents are subject to public inspection unless exempt.

To be considered, three (3) copies and USB drive of a proposal must be received by Julie Chapman, Director of Finance at 310 Norwich/New London Turnpike, Uncasville, CT 06382, by **10:00 A.M. on December 10, 2026**. The Town reserves the right to reject any or all proposals submitted.

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

The Town reserves the right to retain all proposals submitted and to use any idea(s) in a proposal regardless of whether that proposal is selected. Submission of a proposal indicates acceptance by the firm of the conditions contained in the request for proposals, unless clearly and specifically noted in the proposal submitted and confirmed in the contract between the Town of Montville and the firm selected.

It is anticipated the selection of a firm will be completed on or before January 7, 2027. Following the notification of the selected firm, a recommendation and proposed contract will be prepared for review and approval by the Town Council at its next meeting. The Town reserves the right to reject any or all proposals, to waive any non-material irregularities or information in any proposal, and to accept or reject any items or combination of items.

B. Terms of Engagement

It is the intent of the Town to contract for the services presented herein for a term of three (3) years. The Town of Montville reserves the right to extend the term of this contract for an additional one-year term subject to the satisfactory negotiation of terms, including a price acceptable to both the Town and the selected firm.

The proposal package shall present all inclusive audit fees for each year of the contract term.

Following implementation, should the Town find that the firm has failed in any material respect to perform its agreed upon obligation under the agreement; the agreement shall be canceled by the Town as being in the best interest of the Town. In the event of termination of this agreement as a result of a breach by the firm thereunder, the Town shall not be liable for any fees and may, at its sole option award an agreement for the same services to another qualified firm with the best proposal, or call for new proposals and award the agreement thereunder. The firm shall be responsible for direct and consequential damages as a result of its breach, including, but not limited to, extra costs required under the new agreement for similar services.

II. NATURE OF SERVICES REQUIRED

A. Scope of the Work to be Performed

The Town of Montville desires a Comprehensive Annual Financial Report (CAFR) for the Town of Montville to be prepared by the independent auditor and be fully compliant with GASB requirements for the fiscal year ended June 30, 2026 and the subsequent years, June 30, 2027 and June 30, 2028 of the audit firm's contract with the Town.

The selected independent auditor will be required to perform the following tasks.

1. The audit firm will perform an audit of all funds of the Town of Montville. The audit will be conducted in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, issued by the Comptroller of the United States. The audit firm will render their auditors' report on the basic financial statements which will include both Government-Wide Financial Statements and Fund Financial Statements. The audit firm will also apply limited audit procedures to Management's Discussion and Analysis (MD&A) and required supplementary information pertaining to the General Fund and each major fund of the Town.

2. The audit firm will perform a single audit on the expenditures of federal grants in accordance with OMB Circular A-133 and render the appropriate audit reports on Internal Control over Financial Reporting based upon the audit of the Town's financial statements in accordance with *Government Auditing Standards* and the appropriate reports on compliance with Requirements Applicable to each Major Program, Internal Control over Compliance and on the Schedule of Expenditures of Federal Awards in Accordance with OMB Circular A-133. The single audit report will include appropriate schedule of expenditures of federal awards, footnotes, findings and questioned costs, including reportable conditions and material weaknesses, and follow up on prior audit findings where required.

3. The audit firm will perform a single audit on the expenditures of state grants in accordance with State of Connecticut guidelines. The single audit report will include appropriate schedule of expenditures

of state awards, footnotes, findings and questioned costs, including reportable conditions and material weaknesses, and follow up on prior audit findings where required.

4. The audit firm shall issue a separate "management letter" that includes recommendations for improvements in internal control, accounting procedures and other significant observations that are considered to be nonreportable conditions. Management letters shall be addressed to the Finance Director.

5. The audit firm will do a complete review of the ED001 and supporting documents as required by the Connecticut State Department of Education.

B. Auditing Standards to be Followed

To meet the requirements of this Request for Proposals, the audit shall be performed in accordance with:

1. Generally accepted auditing standards as set forth by the American Institute of Certified Public Accounts;

2. The standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States;

3. The provisions of the Single Audit Act as amended in 1996; and

4. The provisions of U. S. Office of Management and Budget (OMB) Circular A-133, *Audits of State and Local Governments and Non-Profit Organizations*.

C. Working Paper Retention

All working papers and reports must be retained at the auditor's expense for a minimum of seven (7) years, unless the firm is notified in writing by the Town of Montville of the need to extend the retention period. The auditor will be required to make working papers available to the Town of Montville or any government agencies included in the audit of federal grants. 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.

D. Irregularities and Illegal Acts

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 to the following parties: Mayor; Town Attorney; and the Director of Finance.

E. Implied Requirements

All services not specifically mentioned in this request for proposal that are necessary to provide the functional capabilities described by the auditor shall be included in the scope of services.

III. DESCRIPTION OF THE GOVERNMENT

A. Background Information

Incorporated in 1786, the Town of Montville is located in southeastern Connecticut and covers an area of 42 square miles. The Town of Montville currently services a population of 18,387. The Town's fiscal year begins on July 1 and ends on June 30.

The Town of Montville is governed under a Town Charter with a town council/mayor form of government. The Mayor acts as the Chief Executive Officer and the Town Council acts as the Legislative Body. The Town provides police and fire protections services, water transmission, construction and maintenance of streets and other infrastructures, education, social and recreational activities. Sanitation services are provided through a Sewer Authority, which functions, in essence, as a department of the Town of Montville and, therefore, is included as a part of the Town's financial statements.

The Town of Montville's operating budget in FY 2025-26 is approximately $73 million for governmental funds. The Water and Water Pollution Control budget is for 2025-26 is approximately $ million.

B. Magnitude of Finance Operations

The Finance Department is headed by Julie Chapman, Director of Finance and consists of nine employees. The principal functions performed and the number of employees assigned to each are as follows:

Function	Number of Employees
Accounting	2
Accounts Payable	1
Tax Collection	2
Assessment	3
Payroll	1

IV. TIME REQUIREMENTS

A. Proposal Calendar

The following is a list of key dates up to, and including, the date proposals are to be submitted:

Date	Activity
November 9, 2026	Request for Proposal issued
December 11, 2026	Due date for proposals (10:00 a.m.)
On or before January 11, 2027	Contract awarded by Town Council

B. Date Audit May Commence

Audit planning, documentation of systems of internal control and compliance and transaction testing should be completed during interim stage. The Town is currently behind schedule with the goal of completing FY26 and FY27 by December 31, 2027 in order to comply with the State of Connecticut Finance calendar requirements. It is expected the Town will close its books and be ready for the final audit by the middle of September. The Town does not object to a preliminary phase of audit work in June prior to year end closing.

C. Date Reports Are Due

The auditor shall provide all drafts and recommendations for improvements to the Director of Finance and Administrative Services within a reasonable time period after the last day of field work. The auditor should be available for any meetings that may be necessary to discuss the draft audit reports. Once all issues of discussion are resolved, the completed CAFR, component unit financial statements, Single Audit reports and other reports shall be delivered to the Director of Finance and statutorily required state agencies no later than the last business day of December.

V. ASSISTANCE TO BE PROVIDED TO THE AUDITOR AND REPORT PREPARATION

A. Finance Department and Clerical Assistance

The Finance Department staff will be available during the audit to assist the firm by providing information, documentation, and explanations. The Finance Director and Treasurer will be responsible for acting as the liaison between the audit firm and the accounting personnel.

B. Work Area, Telephone, and Office Equipment

The Town will provide the auditor with reasonable work space, desks and chairs. The auditor will also be provided with access to a telephone and photocopying/scanning.

C. Report Preparation

Report preparation, editing, printing, binding shall be the responsibility of the auditor. Copies of all reports shall be addressed to the Town Council. The successful proposer will also submit copies of the reports to the state of Connecticut Office of Policy and Management, the Internal Audit Manager of the Connecticut Department of Education and others as required by state and federal audit requirements. The audit firm shall also provide a copy of the Comprehensive Annual Financial Report in PDF format for electronic posting.

1. *Comprehensive Annual Financial Report*
2. *Single Audit Reports*
3. *EDOO1 Certification*

Where an extension of time may be required, it will be the responsibility of the auditor to notify the Town of Montville, promptly in writing. The Auditors shall promptly notify the Town of Montville's Finance Director of any suspicion of fraud, defalcation or misapplication of funds. Such notice shall be in addition to any notice to grantor's required by single audit legislation.

VI. PROPOSAL REQUIREMENTS

A. General Requirements

1. Inquiries concerning the Request for Proposals and the subject of the Request for Proposals must be made to:

   Julie Chapman, Director of Finance
   310 Norwich/New London Turnpike
   Uncasville, CT 06382
   Jchapman@montville-ct.org
   All questions will be posted online

CONTACT WITH PERSONNEL OF THE TOWN OTHER THAN THE ABOVE REGARDING THIS REQUEST FOR PROPOSALS MAY BE GROUNDS FOR ELIMINATION FROM THE SELECTION PROCESS.

2. Submission of Proposal. Three (3) copies and USB drive of the Proposal shall be received in the Finance office of the Town of Montville **by 10:00 a.m. on December 11, 2026** for a proposal to be considered.

The Proposal should be addressed as follows:

Town of Montville
Julie Chapman
Director of Finance
310 Norwich/New London Turnpike
Uncasville, CT 06382

B. Format for Technical Proposal

1. Signed Transmittal Letter briefly stating the Proposer's understanding of the work to be done; the commitment to perform the work within the time period; and the name(s) of the person(s) authorized to represent the Proposer, title, address, and telephone number.

2. Detailed Proposal following the order set forth in Section C below.

C. Contents of Technical Proposal

The purpose of the Technical Proposal is to demonstrate the qualifications, competence and capabilities of the firm seeking to undertake the independent audit of the Town in conformity with the requirements of this request for proposals. As such, the substance of proposals will carry more weight than the form or manner of presentation. The Technical Proposal should demonstrate the qualifications of the firm and of the particular staff to be assigned to this engagement. It should also specify an audit approach that will meet the request for proposals requirements.

The Technical Proposal should address all points outlined in the request for proposals (excluding any cost information, which should only be included in the Sealed Dollar Cost Bid). The proposal should be prepared simply and economically, providing a straightforward, concise description of the proposer's capabilities to satisfy the requirements of this request for proposals. While additional data may be presented, the following subjects must be included. They represent the criteria against which the proposal will be evaluated.

1. Location and License to Practice in Connecticut

An affirmative statement should be included verifying the firm maintains an office in the State of Connecticut and all assigned key professional staff are properly licensed to practice in Connecticut.

2. Independence

The firm should provide an affirmative statement that it is independent of the Town of Montville as defined by auditing standards generally accepted in the United States of America and the General Accounting Office's *Government Auditing Standards*.

3. Firm Qualifications and Experience

To qualify the firm must have at least five years experience in audits of local governments as well as experience with preparation of Comprehensive Annual Financial Statements. The Proposer should state the size of the firm, the size of the firm's governmental audit 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 on a full-time basis and the number and nature of the staff to be so employed on a part-time basis. Staff consistency is an important consideration.

The Proposer should provide the range of activities performed by the local office, e.g., audit, accounting, tax service and/or management consulting services.

The Proposer must provide a list of all current municipal clients.

The Proposer is also required to submit a copy of a report on its most recent external quality control review (peer review), with a statement whether that quality control review included a review of specific government engagements (required by Government Audit Standards.

The Proposer shall also provide information on the results of any Federal or State desk reviews or field reviews of its audits during the past three (3) years. In addition, the Proposer shall provide information on the circumstances and status of any disciplinary action taken or pending against the firm during the past three (3) years with State regulatory bodies or professional organizations.

4. Partner, Supervisory and Staff Qualifications and Experience

Identify the principal supervisory and management staff, including engagement partners, managers, other supervisors and specialists who would be assigned to this engagement. Include resumes, indicating whether each such person is registered or licensed to practice as a certified public account in Connecticut. Provide information on the government auditing experience of each person, including information on relevant continuing professional education for the past (3) three years and membership in professional organizations relevant to the performance of this audit.

Provide as much information as possible regarding the number, qualifications, experience and training, including relevant continuing professional education, of the specific staff to be assigned to this engagement. Indicate how the quality of staff over the term of the agreement will be assured.

Engagement partners, managers, other supervisory staff and specialists may be changed if those personnel leave the firm, are promoted or are assigned to another office. These personnel may also be changed for other reasons with the express prior written permission of the Town. However, in either case, the Town retains the right to approve or reject replacements.

Other audit personnel may be changed at the discretion of the Proposer provided that replacements have substantially the same or better qualifications or experience.

5. *Similar Engagements with Other Government Entities*

For the firm's office that will be assigned responsibility for the audit, list the most significant engagements (maximum - 5) performed in the last three (3) years that are similar to the engagement described in this request for proposals. These engagements should be ranked on the basis of total staff hours. Indicate the scope of work, date, engagement partners, total hours, and the name and telephone number of the principal client contact. Also, please indicate whether the audit was part of a Comprehensive Annual Financial Report prepared in conformance with the GASB requirements.

6. *Specific Audit Approach*

The proposal should set forth a work plan, including an explanation of the audit methodology to be followed, to perform the services required in Section II of this request for proposals. In developing the work plan, reference should be made to such sources of information as Town of Montville' budget and related materials, organizational charts, manuals, programs, and financial and other management information systems.

Proposers will be required to provide the following information on their audit approach:

a. Proposed segmentation for the engagement.

b. Level of staff and number of hours to be assigned to each proposed segment of the engagement.

7. *Identification Anticipated Potential Audit Problems*

The proposal should identify and describe any anticipated potential audit problems, the firm's approach to resolving these problems and any special assistance that will be requested from the Town.

NO DOLLAR AMOUNTS SHOULD BE INCLUDED IN THE TECHNICAL PROPOSAL.

8. *Non-Discrimination*

No person shall be denied or subjected to discrimination on account of any services, or activities made possible by or resulting from this agreement on the grounds of sex, race, color, creed, national origin, age (except minimum age and retirement provision), marital status or the presence of any sensory, mental or physical handicap. Any violation of this provision shall be considered a violation of a material provision of this agreement and shall be grounds for cancellation, termination or suspension in whole or in part of the agreement by the Town of Montville and may result in ineligibility for further Town contracts. The proposer shall at all times in the proposal and contract process comply with all applicable Town, state and federal anti-discrimination laws, rules, regulations and requirements thereof.

D. Contents of Cost Proposal

1. Total All-Inclusive Maximum Price

The cost proposal should contain all pricing information relative to performing the audit engagement as described in this request for proposals. The total all-inclusive maximum price to be bid is to contain all direct and indirect costs including all out-of-pocket expenses. The audit cost must be allocated between the Town, Board of Education, Educational Grants, Water and Water Pollution Control Authority.

The Town will not be responsible for expenses incurred in preparing and submitting the technical proposal or the sealed dollar cost bid. Such costs should not be included in the proposal.

The cost proposal should be submitted in the format provided in Attachment A, "AUDIT WORK COST PROPOSAL FORM"

2. Manner of Payment

Progress payment will be made on the basis of hours of work completed during the course of the engagement and out-of-pocket expenses incurred in accordance with the firm's proposal. Interim billings shall cover a period of not less than a calendar month.

3. Rates for Additional Services

If it should become necessary for the Town of Montville to request the auditor to render any additional services requested in this request for proposal or to perform additional work as a result of the specific recommendations included in any report issued on this engagement then such additional work shall be performed only if set forth in an addendum to the contract between the Town of Montville and the firm. Any such additional work agreed to between the Town of Montville and the firm shall be performed at the same rates set forth in the schedule of fees and expenses included in the attachment A.

VII. EVALUATION PROCEDURES

A. Review of Proposals

The Finance Committee will evaluate submitted proposals and make a recommendation to the Town Council. The Town Council will make the final decision at its meeting on January 11, 2027.

B. Evaluation Criteria

The following represent the principal selection criteria, which will be considered during the evaluation process.

TOWN OF MONTVILLE
REQUEST FOR PROPOSALS
PROFESSIONAL AUDITING SERVICES

1. Mandatory Elements

   a. The audit firm is independent and licensed to practice in Connecticut.

   b. The firm has no conflict of interest with regard to any of the work performed by the firm for the Town.

   c. The firm adheres to the instructions in this request for proposals on preparing and submitting the proposal.

   d. The firm submits a copy of its last external quality control review report and the firm has a record of quality audit work.

2. Technical Qualifications

   a. The firm's past experience and performance on comparable government engagements.

   b. The quality of the firm's professional personnel to be assigned to the engagement and the quality of the firm's management support personnel to be available for technical consultation.

   c. Adequacy of proposed staffing plan for various segments of the engagement.

   e. Thoroughness of approach to conducting the audit of the Town and demonstration of the understanding of the objectives and scope of the audit.

   e. Commitment to timeliness in the conduct of the audit.

3. The proposed cost of services will be considered in conjunction with the other items referenced above.

TOWN OF MONTVILLE
REQUEST FOR PROPOSALS
PROFESSIONAL AUDITING SERVICES

Attachment A

AUDIT WORK COST PROPOSAL FORM

Service	**2025/26**	**2026/27**	**2027/28**
Town Audit and Related Reports	$	$	$
Review of ED001	$	$	$
Federal and State Single Audit Reports	$	$	$
	$	$	$
Total for Fiscal Year (not-to exceed)	$	$	$

COST ALLOCATION

Town Government	$	$	$
Board of Education	$	$	$
Educational Grants	$	$	$
Water	$	$	$
WPCA	$	$	$
Total Audit Fee	$	$	$

TOWN OF MONTVILLE
REQUEST FOR PROPOSALS
PROFESSIONAL AUDITING SERVICES

RATE/HOUR IN EXCESS OF THOSE ABOVE OR FOR SERVICES OUTSIDE THE SPECIFIC SCOPE

1. Auditor's Standard Billing Rates

Auditors Standard Hourly Billing Rates			
POSITION	**2025/26**	**2026/27**	**2027/28**
Partner	**$**	**$**	**$**
Manager	**$**	**$**	**$**
Senior Accountant	**$**	**$**	**$**
Staff Accountant	**$**	**$**	**$**

Name of Firm: _____

Address: _____

_____

_____

Contact Name: _____

Contact Phone #: _____ Fax #:_____

Contact Email: _____

TOWN OF MONTVILLE
REQUEST FOR PROPOSALS
PROFESSIONAL AUDITING SERVICES

ATTACHEMENT B

INSURANCE

INSURANCE EXHIBIT - PROFESSIONAL SERVICES

The professional individual or firm shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from, or be in connection with the performance of the work thereunder by the individual or the firm, his agents, representatives, or employees. The cost of such insurance shall be included in the proposal.
For the purpose of this clause, the term "professional individual or firm" shall also include the individual's or firm's respective officers, agents, officials, employees, volunteers, boards and commissions.

A. Minimum Scope and Limits of Insurance

1. Broad Form Comprehensive General Liability

   $1,000,000 combined single limit per occurrence for bodily injury, personal injury property damage, and products / completed operations.

2. Automobile Liability

   $ 1,000,000 combined single limit per occurrence for bodily injury and property damage

3. Umbrella Liability

   $ 1,000,000 per occurrence, following form.

4. Workers' Compensation

   Limits as required by State of Connecticut Labor Code

5. Employers' Liability

   $100,000 each accident $500,000 disease/policy limit $100,000 disease/each employee

6. Professional Liability (if used on a claims-made basis, insurance coverage shall be maintained for the duration of the contract and for two (2) years following contract completion.)

   $ 1,000,000 per occurrence $1,000,000 aggregate

7. Personal Property Coverage

   Adequate insurance to cover the value of personal property (including but not limited to, personal computers) belonging to the Auditor while located on Town property, while in use or in storage, for the duration of the contract.

B. Aggregate Limits

Any aggregate limits must be declared to and be approved by the Town. At the option of the Town, the insurer shall increase or eliminate the aggregate limit and notify the Town of any erosion of aggregate limits.

C. Deductibles and Self-Insured Retention's

Any deductibles or self-insured retention's must be declared to and be approved by the Town. At the option of the Town, the insurer shall reduce or eliminate such deductibles or self-insured retention's as regards the Town or the Auditors shall procure a bond which guarantees payment of the losses and related investigations, claims administration and defense expenses. At no time will the Town be responsible for the payment of deductibles or self-insured retention's.

D. Notice of Cancellation or Non-renewal

Each insurance policy required by this Exhibit shall be endorsed to state that coverage shall not be suspended, voided, canceled, or reduced, either in coverage or in limits, except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the Town.

E. Other Insurance Provisions

The policies are to contain, or be endorsed to contain, the following provisions;

1. Liability, (General, Automobile, Professional) Coverages;

   a. "The Town of Montville and its respective officers, agents, officials, employees, volunteers, boards and commissions" are to be **named as additional insureds** with regards to liability arising out of activities performed by or on behalf of the Auditor; products and completed operations of the Auditor; premises owned, leased or used by the Auditor. The coverage shall contain no special limitations on the scope of protection afforded to the Town.

   b. The Auditor's insurance coverage shall be the primary insurance as regards the Town. Any insurance or self-insurance maintained by the Town shall be in excess of the Auditor's insurance and shall not contribute with it.

   c. Any failure to comply with the reporting provisions of the policies shall not affect coverage provided to the Town.

d. Coverage shall state that the Auditor's insurance shall apply separately to each insured against whom a claim is made or a suit is brought, except with respect to the limits of the insurer's liability.

f. The insurer shall agree to waive all rights of subrogation against the Town for losses arising from the work performed by the Auditor for the Town.

2. Workers' Compensation and Employer's Liability Coverage

a. The insurer shall agree to waive all rights of subrogation against the Town for losses arising from the work performed by the Auditor for the Town.

b. If State statute does not require the Auditor to obtain Workers' Compensation insurance, then the Auditor shall furnish the Town with adequate proof of the self- employment status/ The Auditor agrees to waive all rights of claims against the Town for losses arising from the work performed by the Auditor. In the event that during the contract this self employment status should change, the Auditor shall immediately furnish proper notice to the Town and a certificate of insurance indicating that Workers' Compensation insurance and Employer's Liability coverage has been obtained by the Auditor as required by this Exhibit.

F. Acceptability of Insurers

1. Insurance is to be placed with insurers which have a Best's rating of at least A.

2. Insurance companies must either be licensed to do business in the State of Connecticut.

G. Verification of Coverage

The Auditor shall furnish the Town with certificates of insurance effecting coverage required by this clause. The certificates and endorsements for each insurance policy are to be signed by a person authorized by the insurer to bind coverage on its behalf. The certificates and endorsements are to be received and approved by the Director of Finance before work commences. Renewal of expiring certificates shall be filed thirty (30) days prior to expiration. The Town reserves the rights to require complete, certified copies of all required policies, at any time.

All insurance documents required by this Exhibit shall be mailed to the Director of Finance.