TOWN OF THOMASTON, CONNECTICUT

Office of the First Selectman

REQUEST FOR PROPOSALS

Special Operational and Internal Controls Review of the Board of Education Fiscal Year 2025–2026 Operating Budget Overspend

Issue Date:	August 17, 2026
Proposal Due Date/Time:	August 28, 2026, 4:00 PM EST
Submit To:	Office of the Finance Director, 158 Main Street, Thomaston, CT 06787
Questions Contact:	Rich Sileo, First Selectman, rsileo@thomastonct.gov, (860) 484-8026

Table of Contents

Section 1 — Introduction and Background

1.1 Purpose

The Town of Thomaston (the "Town") is soliciting proposals from qualified independent audit and advisory firms ("Proposers") to perform a special operational and internal controls review related to a substantial overspend of the Board of Education's ("BOE") FISCAL YEAR 2025–2026 operating budget. The Town seeks a firm to (1) quantify and explain the root causes of the overspend, (2) evaluate the adequacy of the BOE's budgetary and financial controls, and (3) provide actionable recommendations to strengthen fiscal oversight and prevent recurrence.

1.2 Background

It has come to the Town's attention that the Board of Education has overspent its Fiscal Year 2025–2026 approved operating budget by a substantial amount. The Town requires an independent, objective review to establish the facts, assess internal controls, and support any necessary corrective or budgetary action by the Board of Education, and the Board of Finance.

1.3 Issuing Office and Authority

This RFP is issued by the Finance Director, on behalf of the Town of Thomaston, under the authority of the Board of Finance.

1.4 Type of Engagement

The Town anticipates this engagement will combine elements of a special investigative/forensic financial review with an operational and internal controls review. Proposers should be prepared to apply an evidentiary standard sufficient to support findings that may inform personnel, budgetary, or corrective governance action, and that may be presented publicly to the Boards of Education and Finance.

Section 2 — Scope of Work

The selected firm will perform the following phases of work. Proposers may recommend modifications to this scope based on their professional judgment and experience with comparable engagements; any proposed deviations must be clearly identified and justified in the proposal.

2.1 Phase 1 — Overspend Identification and Root Cause Analysis

Objective: Determine the precise magnitude, timing, and drivers of the overspend. Focus on the following object codes;

- 111 Certified Personnel
- 112 Non- Certified Personnel
- 200 Employee Benefits

- 400 Property Service
- 510 Pupil Transportation

1. Reconcile budget-to-actual spending by line item, department, and object code for Fiscal Year 2025–26 through the most recent close, compared to the Board-adopted budget and any approved amendments or transfers.
2. Identify which specific accounts or programs drove the overspend and quantify each contributor's share of the total variance.
3. Determine when the overspend became apparent, or should have become apparent, based on available financial data.
4. Review mid-year budget transfers, supplemental appropriations, or Board actions related to the affected line items, and assess compliance with statutory and policy requirements.
5. Assess whether the overspend stems from underbudgeting/estimation error, uncontrolled or unapproved spending, unbudgeted mandated costs (e.g., special education placements, out-of-district tuition, legal settlements), payroll/staffing overages, delayed or absent budget monitoring, or systems/data issues.
6. Interview relevant personnel, including the Superintendent, Business Manager, affected department heads, and Board of Education Audit Committee members.
7. Determine whether spending decisions were properly authorized under Board policy and applicable state statute, including purchasing thresholds and contract approval requirements.

Deliverable: A variance analysis report identifying the total overspend amount, a breakdown by category/driver, and a narrative explanation of root causes with supporting evidence.

2.2 Phase 2 — Internal Controls and Process Assessment

Objective: Evaluate whether the financial management infrastructure was adequate to prevent or timely detect the overspend.

1. Determine the frequency and distribution of budget-to-actual reporting during the year and whether variances were flagged, escalated, and acted upon.
2. Assess encumbrance controls, including whether the financial system enforces encumbrance accounting and whether this functionality was in use and functioning correctly.
3. Review purchasing, contract, and payroll approval workflows, including segregation of duties and authorization limits.
4. Review the process for identifying, budgeting, reporting, and tracking special education and out-of-district placement costs, including coordination with pupil personnel/special services staff.
5. Assess the frequency, content, and timeliness of financial communication between Board of Education staff and the Board of Finance.

6. Evaluate existing Board of Education fiscal policies (budget transfers, purchasing, credit cards, overtime authorization) for adequacy and adherence in practice.
7. Review configuration and use of financial software to assess support for real-time budget visibility.

Deliverable: A findings report identifying specific control gaps, categorized by severity/risk, referenced against applicable best practices (e.g., GFOA standards, State Department of Education guidance).

2.3 Phase 3 — Recommendations and Corrective Action Plan

Objective: Provide a practical roadmap to strengthen controls and restore confidence in the budget process.

1. Provide specific, prioritized recommendations addressing each control gap identified in Phase 2, including recommended monitoring cadence and reporting templates, encumbrance/purchasing control enhancements, reserve/contingency practices for volatile cost categories, and communication protocols between the Board of Education and the Board of Finance.
2. Recommend a timeline and responsible parties for implementing each recommendation.
3. Recommend metrics or variance thresholds that would trigger mandatory escalation to the Boards of Education and Finance.
4. If within scope, provide observations relevant to how the current-year deficit might be addressed, recognizing that funding decisions remain with the Board of Finance.

Deliverable: A written report with prioritized, actionable recommendations suitable for presentation to the Board of Education, Board of Finance, and the public.

2.4 Summary of Deliverables

The town will make go/no-go decisions after each deliverable and may terminate the engagement.

#	Deliverable	Format
1	Kickoff meeting and data request list	Meeting + written request
2	Report of hours spend to date	Bi-weekly Email
3	Variance analysis report (Phase 1)	Written report with supporting schedules
4	Internal controls findings report (Phase 2)	Written report
5	Recommendations and corrective action plan (Phase 3)	Written report
6	Executive summary presentation	Slide deck / in-person presentation
7	Draft report for management response	Draft circulated before finalization
8	Final report	Final written report

Section 3 — Proposer Qualifications

Proposers must demonstrate the following minimum qualifications:

- Licensure as a Certified Public Accounting firm, or a forensic/advisory practice with demonstrated public-sector experience, in good standing.
- Experience with municipal and/or school district finance in Connecticut, including familiarity with state school finance statutes, education funding formulas, and Connecticut State Department of Education reporting requirements.
- Prior experience conducting special audits, forensic reviews, or internal controls assessments of school district or municipal budgets within the last five years.
- Familiarity with GASB standards and governmental accounting/reporting frameworks.
- Adequate staffing and engagement team credentials, including at least one CPA and, where applicable, a Certified Fraud Examiner (CFE) on the engagement team.
- Professional liability (errors & omissions) insurance in the amount of $1,000,000.

Section 4 — Proposal Submission Requirements

Proposals must be organized in the following format and order. Proposals that do not include all required elements may be deemed non-responsive.

4.1 Cover Letter

Signed by an individual authorized to bind the firm, identifying the firm's legal name, address, and primary contact.

4.2 Firm Qualifications and Experience

Firm history, relevant public-sector/school district engagements (minimum three references from comparable engagements within the last five years, including client name, contact, and engagement description), and applicable licenses/certifications.

4.3 Proposed Engagement Team

Resumes of all personnel to be assigned, including relevant credentials (CPA, CFE, CGFM, etc.), and the role each will play. Identify the engagement partner and day-to-day project lead.

4.4 Technical Approach

A detailed narrative describing the Proposer’s methodology for each phase of the scope of work in Section 2, including data analysis approach, interview protocol, sampling methodology (if applicable), and quality control procedures.

4.5 Work Plan and Timeline

A proposed project schedule with milestones corresponding to the deliverables in Section 2.4, including estimated start date and duration for each phase.

4.6 Independence Statement

A signed statement affirming the firm has no conflict of interest with the Board of Education or its finance staff that would impair independence or disclosing any such relationship.

4.7 Cost Proposal

A not-to-exceed, fixed-fee proposal broken out by phase (Section 2.1–2.3), including hourly rates by staff classification, estimated hours, and any anticipated reimbursable expenses. The cost proposal must be submitted as a separate sealed attachment from the technical proposal.

4.8 Required Forms and Certifications

- Signed Proposal Certification Form (Appendix A)
- Certificate of insurance or written commitment to provide required coverage upon award

Section 5 — Evaluation Criteria

Proposals will be evaluated by a review committee designated by the Frist Selectman using the following weighted criteria. The committee reserves the right to request interviews or oral presentations from short-listed firms prior to final selection.

Criterion	Weight
Relevant experience with municipal/school district special audits and forensic reviews	25%
Qualifications of proposed engagement team	20%
Quality and thoroughness of proposed technical approach and methodology	25%
Proposed timeline and feasibility	10%
Cost proposal	15%
References and past performance	5%

Section 6 — Schedule of Events

Event	Date
RFP Issued	August 17, 2026
Deadline for Written Questions	August 21, 2026

Event	Date
Town Responses to Questions Issued (Addendum, if any)	August 25, 2026
Proposals Due	August 28, 2026, 4:00 PM EST
Proposal Evaluation Period	August 31-September 2, 2026
Anticipated Award / Board of Finance & Board of Selectman Approval	September 9, 2026
Anticipated Engagement Kickoff	September 14, 2026
Anticipated Final Report Delivery	October 12, 2026 or sooner

Section 7 — Instructions to Proposers

7.1 Questions

All questions regarding this RFP must be submitted in writing to Rich Sileo, First Selectman, rsileo@thomastonct.gov by August 21, 2026. Verbal responses are not binding on the Town. Answers to substantive questions will be issued to all firms who received the RFP via written addendum.

7.2 Submission

Proposers must submit one original, 2 copies, and one electronic copy no later than the date and time stated in Section 6. Late proposals will not be accepted regardless of cause for delay.

7.3 Right to Reject

The committee reserves the right to reject any or all proposals, to waive informalities or irregularities in proposals received, and to award the contract in a manner determined to be in the best interest of the Town.

7.4 Independence and Conflicts of Interest

Because this engagement concerns the Board of Education's own finance function, Proposers must fully disclose any past or current engagement with the Town, Board of Finance or Board of Education. The Town will not consider proposals from firms with an unresolved conflict of interest.

7.5 Confidentiality

Proposers may be required to execute a confidentiality agreement given the sensitivity of the financial data involved. The selected firm's final report will be a public record subject to the Connecticut Freedom of Information Act unless a specific exemption applies.

7.6 Insurance and Indemnification

The selected firm will be required to maintain professional liability (errors and omissions), general liability, and workers' compensation insurance in amounts specified in the resulting contract, and to indemnify the Town per standard Town contract terms.3

7.7 Contract Term

The resulting contract is anticipated to be a fixed-term, deliverables-based engagement as described in Section 6, with no automatic renewal. The Town reserves the right to terminate for convenience upon [30] days' written notice.

Appendix A — Proposal Certification Form

The undersigned, on behalf of the Proposer identified below, certifies that:

- The proposal is submitted in good faith and without collusion with any other Proposer;
- All information contained in the proposal is true and accurate to the best of the signer's knowledge;
- The firm has disclosed all actual or potential conflicts of interest with the Town of Thomaston or its Board of Education;
- The firm agrees to be bound by the terms of this RFP for a period of [90] days from the proposal due date.

Firm Name: ____

Authorized Signature: ____

Printed Name / Title: ____

Date: ____