

City of Scottsbluff, Nebraska

Monday, April 20, 2015

Regular Meeting

Item Consent2

Approve the RFP for audit services and authorize the city clerk to advertise for bids to be received by June 5, 2015, 4:00 p.m.

Staff Contact: Renae Griffiths, Finance Director

REQUEST FOR PROPOSALS FOR
THE ANNUAL AUDIT
CITY OF SCOTTSBLUFF
2525 CIRCLE DRIVE
SCOTTSBLUFF, NE 69361

Section 1

- A. **Objective** - The City of Scottsbluff (City) is seeking qualified Certified Public Accounting firms (respondent) for the purpose of examining and auditing the accounts and records for the fiscal years ended September 30, 2015, September 30, 2016 and September 30, 2017.

An audit firm will be selected to conduct the annual audit for each of the three years with an annual review of the services provided to determine if the firm is to be retained during the second and ensuing years. The City will retain the right to extend the engagement.

- B. **Issuing officers** - This RFP is issued by the City. All correspondence, questions and additional information regarding this RFP must be presented in writing and addressed to the City of Scottsbluff, 2525 Circle Drive, Scottsbluff, NE, 69361, c/o Renae L. Griffiths, Finance Director (308) 630-6212.

- C. **Proposals** - Three (3) copies of the proposal shall be submitted. The information included therein should be as concise as possible.

To be considered, each firm must submit a complete response to this RFP that meets the required services listed in Section 2. No other distribution of proposals is to be made by the respondent. The proposal must be signed in ink by an official authorized to bind the respondent to its provisions.

Each proposal must remain valid for at least ninety (90) days from the date of this Request For Proposal (April 20, 2015).

The City reserves the right to award the total proposal, to reject any and all proposals in whole or in part, and to waive any informality or technical defects, if, in the City's judgment, the best interests of the City will be so served.

- D. **Selection criteria** - The respondents to this Request For Proposal will be evaluated using a point system, as shown in Section 4. The evaluation will be completed by a Selection Committee composed of staff members from the

City to include, but not limited to, the City Manager, Finance Director and members of the City Audit Selection Committee.

At the initial evaluation, a determination will be made by the Selection Committee of which, if any respondents, is or are to be interviewed.

During the interview process the selected respondent will be given the opportunity to discuss, in more detail, their qualifications, and their past experience in similar projects and services. After the interview process the proposals will be re-evaluated to determine the most qualified, capable, and cost effective proposal in which the City would choose to engage the respondent's services. A recommendation by the Selection Committee will be made to City Council.

- E. Changes in the Request For Proposal** - Should a perspective respondent be in doubt as to the true meaning of any portions of this RFP, or should the respondent find any patent ambiguity, inconsistency or omission thereto, the respondent shall make a written request for an official interpretation or correction. Such request shall be submitted with the respondent's proposal. The respondent making the request shall be held responsible for its prompt delivery. Such interpretation or corrections, as well as any additional Request For Proposal provisions that the City may decide to include, will be made only as a bulletin which will be mailed or delivered to each respondent recorded as having received a copy of the RFP. Any addendum issued by the City shall become part and made part of the RFP and shall be taken into account by each respondent in preparing his or her proposal. Written correspondence from the City to the respondents will include each respondent's written request along with any and all answers provided by the City.
- F. Cost liability** - The City assumes no responsibility or liability for costs incurred by the respondent prior to the execution of a professional services contract. This would include any and all costs incurred by the respondent as a result of preparing a response to this Request For Proposal for services.

PURPOSE AND REQUIRED SERVICES
ANNUAL AUDIT
CITY OF SCOTTSBLUFF

Section 2

A. **Purpose** - The City is seeking the professional services of a Certified Public Accounting firm.

B. **Required services** -

1. Perform a financial audit of all of the funds of the City in accordance with the Single Audit Act and OMB Circular A-133. This audit must be in accordance with the American Institute of Certified Public Accountants Industry Guide “Audits of State and Local Governmental Units”, and the Nebraska State Auditor’s requirements.
2. Prepare required workpapers to substantiate balances and account activity.
3. Review the financial statements as prepared in conformity with Governmental Accounting Standards Board (GASB).
4. Provide suggestions and recommendations relating to the City’s financial and general business polices and procedures.
5. Provide on-going audit related consultation services to the City Council and the administrative staff regarding the application of standards and their reporting.
6. Present the findings of each year’s audit to administrative staff informally and City Council formally.
7. Audit workpapers must be retained by the auditors for a minimum of five years. They must be available for examination by authorized agencies and the City.

GENERAL INFORMATION AND INSTRUCTIONS
ANNUAL AUDIT
CITY OF SCOTTSBLUFF

Section 3

A. **Specifications** – Proposals must contain the following minimum information:

1. Explanation of services available through the respondent.
2. A brief business history of the respondent. State specifically if the respondent has met the Continuing Professional Education (CPE) requirements for performing a single audit.
3. Type of clientele the respondent serves. List specifically all governmental agencies you have provided services for in the last three years and the nature of work performed for those entities.
4. State if the respondent is familiar with the Single Audit requirements and OMB Circular A-133.
5. Provide affirmation that the respondent meets the independence requirements.
6. Disclose any positive enforcement actions or other matters, which may reflect on the respondent's professional qualifications.
7. Provide a brief resume of the personnel the respondent would use on the City audit, specifically stating their years of experience, background, etc. State who the on-site audit manager would be and list the partner in charge of the engagement. Please include a list of the CPE completed in the past three years by these individuals.
8. Give a summary of the quality control procedures used by the respondent to insure the competency of work. Also provide a copy of the most recent quality control review report.
9. State what the respondent would charge on a per hour basis for the services of partner, manager and staff as well as fees for travel time, consultation, etc. Include this information in the separate sealed envelope.
10. State in the proposal how much the audit would cost per year. Include this information in the separate sealed envelope.
11. Provide approximate schedule for beginning and completing the audit. We try to schedule fieldwork to be done mid to late November.
12. The City expects the audit to be completed, finalized and presented to the city council before February 1. The presentation to the City Council will be performed by the partner in charge of the audit. Approximately 5 print copies of the audit report will be required. Additional copies may be requested.
13. State the level of your professional liability coverage that would be maintained as a minimum during the period of time the respondent will provide audit services for the City.

14. List at least three references (preferably governmental) for which the respondent has provided audit services. Provide the names, mailing addresses and phone numbers for each reference.
15. Is the respondent currently involved in any lawsuits? If so, state the nature and circumstances.

B. **Due date** - Proposals are due no later than June 5, 2015 at 4:00 p.m. Any proposals received after this deadline will be returned unopened.

Respondents should provide three copies of the proposal to Cindy Dickinson, City Clerk, City of Scottsbluff, 2525 Circle Drive, Scottsbluff, Nebraska, 69361, (308) 630-6221. Please put all cost information in a sealed envelope and reference the envelope in your proposal. Do not include any fee information in the body of your proposal. The envelope should have the name of the respondent clearly printed on the front.

C. **Questions** - Any questions concerning these specifications and services are to be directed in writing at least 7 days prior to the due date to Renae L. Griffiths, Finance Director, 2525 Circle Drive, Scottsbluff, Nebraska, 69361.

BASIS OF AWARD
ANNUAL AUDIT
CITY OF SCOTTSBLUFF

Section 4

Awards will be made based upon the following components:

- A. **Audit work plan and ability to meet timetable specified (30 Points)** - The comprehensiveness of the audit work plan and realistic time estimates of each major segment of the work plan.
- B. **Technical experience (20 Points)** - Auditing of the same type of entities and peer review.
- C. **Qualifications of staff (25 Points)** - Qualifications of supervisory personnel and of the audit team doing the field work. General direction and supervision to be exercised over the audit team by the respondent's management personnel.
- D. **Fee Proposal (25 Points)** - Fee quotations for the services that are to be provided shall be submitted in a separate sealed envelope as part of the proposal. Fee quotations are to be stated in a fixed dollar amount for the proposed services that are to be rendered.