

Sample County Audit Services Request For Proposal

\_\_\_\_\_  
**COUNTY**  
**REQUEST FOR PROPOSALS**  
**FOR PROFESSIONAL AUDIT SERVICES**

**I. INTRODUCTION**

**A. General Information**

\_\_\_\_\_ County, hereafter known as the County, is requesting proposals from qualified firms of certified public accountants to audit its annual financial statements for the County's fiscal year ending December 31, 2015, with the option of auditing its financial statements for each of the two subsequent fiscal years December 31, 2016 and 2017.

There is no expressed or implied obligation for the County to reimburse responding firms for any expenses incurred in preparing proposals in response to this request.

To be considered, three (3)<sup>1</sup> copies of a proposal must be received by:

\_\_\_\_\_ (Audit Contact Person)  
\_\_\_\_\_ (Title)  
\_\_\_\_\_ (Address)  
\_\_\_\_\_ (Address)

The proposal should be received by the County by \_\_\_\_\_(time) on \_\_\_\_\_(date).

The County reserves the right to reject any or all proposals submitted. Proposals submitted will be evaluated by a three (3)<sup>2</sup> member Selection Committee consisting of:

- the County Administrator/Coordinator/Manager
- the County Auditor/Auditor-Treasurer/Treasurer
- the Finance Director/Controller
- a Board member

During the evaluation process, the County reserves the right to request additional information or clarifications from proposers, or to allow corrections of errors or omissions. Firms may be requested to make oral presentations to the Selection Committee as part of the final evaluation process.

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

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<sup>1</sup> Proposal should be directed to County personnel that will serve as contact person for the audit. The number of copies would depend on the number of members on the selection committee.

<sup>2</sup> The number and who makes up the selection committee should reflect the needs and structure of the individual county

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It is anticipated the selection of a firm will be completed by \_\_\_\_\_, 2015. Following the notification of the selected firm it is expected a contract will be executed between both parties following the \_\_\_\_\_, 2015 meeting of the County Board.

### **B. Term of Engagement**

A three-year contract is contemplated, subject to the annual review and recommendation of the Selection Committee, the satisfactory negotiation of terms (including a price acceptable to both the County and the selected firm) and the concurrence of the Board of County Commissioners of County.

## **II. NATURE OF SERVICES REQUIRED**

### **A. Scope of Work to be Performed**

The County desires the auditor to express an opinion on the fair presentation of its basic financial statements in conformity with governmental accounting principles generally accepted in the United States of America. Also, pursuant to Minn. Stat. § 375.17, the annual financial report will be prepared in conformity with the sample county financial statements included in the Minnesota County Financial Accounting & Reporting Standards (COFARS), issued by the Office of the State Auditor.

The County also desires the auditor to provide an “in-relation-to” opinion on the supplementary information based on the auditing procedures applied during the audit of the basic financial statements. The auditor is not required to audit the statistical and required supplementary information sections of the report. However, the auditor shall also be responsible for performing certain limited procedures involving the required supplementary information required by the Governmental Accounting Standards Board as mandated by generally accepted auditing standards. Also, the auditor is to provide an “in-relation-to” report on the County’s schedule of expenditures of federal awards based on the auditing procedures applied during the audit of the financial statements.

The auditor will perform procedures and issue a report on compliance pursuant to the requirements of the Minnesota Legal Compliance Audit Guide for Political Subdivisions. This guide is available on the Office of the State Auditor web site: [www.auditor.state.mn.us](http://www.auditor.state.mn.us) under Auditing.

Pursuant to the Single Audit Act Amendments of 1996<sup>3</sup>, the County is required to have an audit performed on the major federal programs of the County. The auditor will be required to test internal controls and compliance for major federal award programs administered by the county. It is anticipated the County will require a Single Audit for each of the three years covered by this request.

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<sup>3</sup> For 2015 and beyond the Single Audit threshold is \$750,000 in expenditures of federal awards.

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### **B. Auditing Standards to Be Followed**

To meet the requirements of this request for proposals, the audit shall be performed in accordance with auditing standards generally accepted in the United States of America, the standards for financial audits set forth in the Government Accountability Office's (GAO) Government Auditing Standards (December 2011 revision), the provisions of the federal Single Audit Act Amendments of 1996 and U.S. Office of Management and Budget (OMB) Circular A-133, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and the minimum procedures for auditors of local governments prescribed by the Office of the State Auditor pursuant to Minn. Stat. § 6.65<sup>4</sup>

### **C. Reports to Be Issued**

The auditor shall prepare the following reports at the completion of the audit:

- The Independent auditor's reports on the basic financial statements. Independent auditor's report on internal controls over financial reporting based on an audit of financial statements performed in accordance with *Government Auditing Standards*.
- Independent auditor's report on compliance based on an audit of financial statements performed in accordance with *Government Auditing Standards*.
- Independent auditor's report on compliance pursuant to the *Minnesota Legal Compliance Audit Guide for Political Subdivisions*.
- Independent auditor's report on internal control over compliance for major federal programs in accordance with OMB *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*.
- Independent auditor's report (opinion) on compliance with requirement applicable to each major federal program in accordance with OMB *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*.
- A summary of auditor's results and a schedule of findings and questioned costs, if any, required by OMB *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*.

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<sup>4</sup> The Office of the State Auditor promulgated the minimum auditing procedures after consulting with representatives of counties and others, including private sector public accountants.

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### D. Additional Services<sup>5</sup>

In addition to the audit services described above, the County is requesting the following additional assistance or services:

- Preparation of all required basic financial statements
- Preparation of the notes to the financial statements
- Preparation of the following additional statements and schedules:<sup>6</sup>
  - Combining and individual fund financial statements
  - Budgetary comparison schedules
  - General capital asset schedules
  - Schedule of investments
  - Schedule of taxable valuations
  - Individual ditch balance sheet
  - Schedule of intergovernmental revenue
  - Schedule of expenditures of federal awards
- Preparation of supporting schedules and trial balances for the financial statements. The County will decide the format and methodologies for these schedules and trial balances.<sup>7</sup>
- Assist in the preparation of the statistical section of the CAFR<sup>8</sup>
- Typing, copying and binding of annual financial report. The firm will provide the county bound copies and one electronic (PDF) version of the annual financial report. The County will provide front and back covers for the report.
- The firm will provide the county with \_\_\_ copies of their report(s) on the internal control and compliance in accordance with the audit guide and standards for compliance with the Single Audit Act, as may be required.

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<sup>5</sup> The county, depending on their needs, may need or desire additional services related to the audit. These services normally would be outside the scope of a standard financial and compliance audit. In addition, there may be additional non-audit-related services that the county may desire. The County should be aware that there may be independence issues arising from the providing of certain additional services by the firm conducting the annual audit. For additional guidance on the services that can be provided by the audit firm see the *Government Auditing Standards* (2003 Version) and the *Government Auditing Standards Answers to Independence Standards Questions* issued by the Comptroller General of the U.S.

<sup>6</sup> Identify additional information required or requested by your county.

<sup>7</sup> The county should identify the supporting schedules they require assistance with. County management must make all key decisions regarding these schedules.

<sup>8</sup> Only required for GFOA's certificate program.

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- Assistance with filing the annual financial report and any applicable reports with appropriate state agencies and departments<sup>9</sup>, including three (3) copies to be filed with the Office of the State Auditor.
- A letter to management containing appropriate suggestions for improvement of accounting procedures and internal controls for the County's consideration. This letter should contain comments and recommendations for controlling any internal weaknesses discovered and shall be discussed with appropriate personnel before finalizing.
- Assist with the County's response to prior year comments from the Government Finance Officers Association relating to the Certificate of Achievement for Excellence in Financial Reporting Award Program.
- Assist with the preparation and submission of the reporting package, required by the Single Audit Act Amendments of 1996, to the Federal Single Audit Clearing House. This package includes the annual financial report, the supplementary schedule of expenditures of federal awards, the required auditor's reports, including any current findings and questioned costs, a summary schedule of prior audit findings, and a corrective action plan.

### **E. Special Considerations**

1. The submitting firms should be aware that, pursuant to Minnesota law, the state auditor may require additional information from the private certified public accountant as the state auditor deems in the public interest. The state auditor may accept the audit or make additional examinations as the state auditor deems to be in the public interest.<sup>10</sup> The firm must submit all required reports to the state auditor's office. In addition, the firm must make available all work papers and information required by the state auditor.
2. The County will send its comprehensive annual financial report to the Government Finance Officers Association (GFOA) for review in their Certificate of Achievement for Excellence in Financial Reporting program.<sup>11</sup> It is anticipated that the auditor will be required to provide assistance to the County to continue to meet the requirements of this program.

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<sup>9</sup> This is primarily to meet requirements as subrecipients of federal funds. However, there may additional requirements for the filing financial statements. The County should decide whether they want the firm to provide this assistance in determining filing requirements.

<sup>10</sup> By law the county shall pay the cost of any additional examination by the state auditor. The county should consult with the county attorney whether to include provisions about any impact on the fees paid to the CPA firm if its audit is deemed incomplete or inadequate.

<sup>11</sup> This item is applicable only to a small number of counties participating in the GFOA's certificate program.

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**F. Working Paper Retention and Access to Working Papers**

All working papers and reports must be retained, at the auditor's expense, for a minimum of six (6) years after the report is issued, unless the firm is notified in writing by the County of the need to extend the retention period. The auditor will be required to make working papers available, upon request, to the County.

Pursuant to Minnesota law, the state auditor may require additional information, including all audit engagement work papers, from the private certified public accountant as the state auditor deems in the public interest. The state auditor may accept the audit or make additional examinations as the state auditor deems to be in the public interest. Your work papers must be available to the Office of the State Auditor for review.

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.

**III. DESCRIPTION OF THE GOVERNMENT**

**A. Name and Telephone Number of Contact Person**

The audit firm's principal contact with the County will be \_\_\_\_\_ (name), (title), at \_\_\_\_\_ (telephone number) who will coordinate the assistance to be provided by the County to the auditor.

**B. Background Information**

The County was established in \_\_\_\_ and has the powers, duties, and privileges granted counties by state law, codified in Minn. Stat. ch. 373. The County serves an area of \_\_\_\_ square miles, with a population of \_\_\_\_\_. The County's fiscal year begins on January 1 and ends on December 31. The County is governed by a \_\_\_\_ member board of county commissioners representing separate districts within the county. In addition, the offices of county attorney, sheriff, auditor, treasurer, recorder, and coroner are elected on a county-wide basis<sup>12</sup>.

The County offers a full range of services appropriate, in courts, property tax administration, law enforcement and corrections, public works, human services, parks, landfill and other solid waste management, library, community health, nursing home, county extension, economic development, and general administration<sup>13</sup>. The County employs approximately \_\_\_\_ full-time and \_\_\_\_ part-time employees.

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<sup>12</sup> Adjust based on the offices that are elected for your individual county.

<sup>13</sup> Identify key services provided by your county.

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The County is organized into \_\_\_\_ departments. Most of the accounting and financial reporting functions of the County are centralized. However, certain accounting and grant reporting requirements are performed by accounting staff of the Human Services and Public Works departments.<sup>14</sup> \_\_\_\_\_ departments collect and remit fees for services provided and departments maintain separate checking accounts.

More detailed information on the government and its finances can be found in the Budget Document and previous Annual Financial Reports. Contact \_\_\_\_\_ at \_\_\_\_\_ concerning access to these documents.

**A. Reporting Entity**

The reporting entity of the County is defined, for financial reporting purposes, in conformity with the Governmental Accounting Standards Board’s *Codification of Governmental Accounting and Financial Reporting Standards*, Section 2100. Using these criteria, the following component units are included in the County’s financial statements as either blended or discretely presented:<sup>15</sup>

<u>Component Unit</u>	<u>Presentation</u>
Regional Railroad Authority	Blended
Housing and Redevelopment Authority	Discretely presented

The firm will/will not audit the component units.<sup>16</sup>

**B. Fund Structure**

The County uses the following fund types in its financial reporting:

<u>Fund Type</u>	<u>Number of Individual Funds at December 31, 2015</u>	<u>Number With Legally Adopted Annual Budgets</u>
General fund	1	1
Special revenue funds		
Debt service funds		
Capital projects funds		
Permanent funds		
Enterprise funds		
Internal service funds		
Private-purpose trust funds		
Investment trust funds		
Pension (and other employee benefit) trust funds		
Agency funds		

<sup>14</sup> Identify any additional departments with accounting staff.

<sup>15</sup> Identify all component units and whether they are presented within the financial statements as blended or discretely presented. A couple possible examples are provided.

<sup>16</sup> If firm will audit component unit(s) this RFP could include the audit services for any component units, including any separately issued financial statements or a separate RFP for the component unit could be issued.

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**D. Budgetary Basis of Accounting**

The County prepares its budgets on a basis consistent with generally accepted accounting principles. The legal level of control is at the department level.

The county includes the budgetary comparison presentations for the general and major special revenue funds as required supplementary information/part of the basic financial statements<sup>17</sup>.

**E. Federal Financial Assistance**

The County has identified the following grants and federal revenues expended by the County during the fiscal years to be audited:<sup>18</sup>

<u>Federal Department/Agency</u>	2015
<u>State or local administering agency</u>	Estimated
<u>Federal Grant/Program</u>	<u>Amount</u>
Department of Agriculture	
Minnesota Department of Health	
Special Supplemental Food Program	\$
Minnesota Department of Human Services	
Food Stamp Employment and Training	\$
Department of Housing and Urban Development	
Minnesota Department of Trade and Economic Development	
Community Development Block Grant	\$
Department of Justice	
Direct aid	
Community Policing Act	\$
Department of Public Safety	
Victims of Crime Act	\$
Department of Transportation	
Minnesota Department of Transportation	
Highway Planning and Construction	\$
Federal Emergency Management Agency	
Minnesota Department of Public Safety	
Disaster Assistance - Public Assistance	\$
Hazard Mitigation	\$
Emergency Management Performance Grant	\$
Department of Health and Human Services	
Minnesota Department of Education	
Child Care Development	\$
Minnesota Department of Human Services	
Temporary Assistance for Needy Families	\$
Foster Care Title IV-E	\$
Family Preservation	\$

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<sup>17</sup> The county has the option of reporting these presentations as RSI or within the scope of the auditor's report on the basic financial statements.

<sup>18</sup>The examples provided are some typical federal programs for counties. The RFP should be modified for the individual federal programs administered by your county.



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Social Services Block Grant-Title XX	\$
Support for Emancipation and Living Functionally	\$
Minnesota Department of Health	
Disease Control and Prevention Grant	\$
Coordinated Care and Planning Grant	\$
Prevention/Treatment of Substance Abuse Grant	\$
Maternal Child Health Services Grant	\$

**F. Pension Plans<sup>19</sup>**

The County participates in the following pension plans administered by the Public Employees Retirement Association of Minnesota (PERA):

- Public Employees Retirement Fund
- Public Employees Police and Fire Fund
- Local Government Correctional Service Retirement Fund

All of these funds are multiple-employer cost-sharing defined benefit plans. Elected officials of the County also participate in PERA’s Public Employees Defined Contribution Plan. Significant amounts relating to the County’s net pension liabilities, pension-related deferred outflows and inflows of resources, and pension expense will be provided by PERA.

**G. Joint Ventures<sup>20</sup>**

The County participates in the following joint ventures with other governments:

<u>NAME OF JOINT VENTURE</u>	<u>NAME OF OTHER MEMBER GOVERNMENTS</u>	<u>TYPE OF SERVICES PROVIDED</u>
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**H. Magnitude of Finance Operations<sup>21</sup>**

The County Auditor’s Office/Finance Department provides the budgetary, accounting, information systems, purchasing, collections, accounts receivable, and accounts payable functions. The Department has a staff of \_\_\_\_\_ full-time and \_\_\_ part-time employees.

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<sup>19</sup> Adjust for applicable pension funds for your county.

<sup>20</sup> Most counties participate in a number of joint ventures or jointly governed organizations. The importance to the audit is that there are some note disclosure requirements in the county’s financial statements for these entities.

<sup>21</sup> Adjust this section based on which department(s) handles the different accounting functions for your county.

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**I. Computer Systems<sup>22</sup>**

The day-to-day transactions of the County are conducted with the aid of a computerized governmental accounting system. The computer hardware is an IBM AS/400 and the financial accounting software, Integrated Financial System (IFS) is supported by \_\_\_\_\_ of \_\_\_\_\_. The County also uses personal computers on a \_\_\_\_\_ network.

**J. Availability of Prior Audit Reports and Working Papers**

Interested proposers who wish to review prior years' audit reports and management letters should contact \_\_\_\_\_ at \_\_\_\_\_. The County will use its best efforts to make prior audit reports and supporting working papers available to proposers to aid their response to this request for proposals. The County and proposers recognize and agree that all actions related to government information must comply with the Minnesota Government Data Practices Act, Minn. Stat. ch. 13.

**IV. TIME REQUIREMENTS**

The auditors must be able to meet the following essential dates for the fiscal year audit:

- Preliminary work completed by \_\_\_\_\_.
- Fieldwork completed by \_\_\_\_\_.
- Draft reports completed by \_\_\_\_\_.
- Final printed and bound reports by September 25.<sup>23</sup>

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

**A. Finance Department and Clerical Assistance<sup>24</sup>**

The finance department/county auditor's office staff and responsible management personnel will be available during the audit to assist the firm by providing information, documentation and explanations. The preparation of confirmations will be the responsibility of the County as directed by the auditor.

In an effort to contain audit costs, the County has historically prepared as many audit worksheets and schedules as is practical to reduce the clerical work to be performed by the independent auditor. It wishes to continue this practice.

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<sup>22</sup> Purpose is to identify key automated accounting systems for the county. Adjust based on your specific county systems.

<sup>23</sup> If the County is subject to the Single Audit Act it must issue its financial statements and related auditor's reports within nine months after their year-end. The date used was chosen to meet that deadline, but the County can adjust this date forward to meet their needs or other deadlines.

<sup>24</sup> Adjust this section based on the level of assistance the county intends to provide.

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**B. Report Preparation<sup>25</sup>**

Report preparation, editing and printing shall be the responsibility of the auditor. Covers and dividers will be prepared by the County.

**VI. PROPOSAL REQUIREMENTS**

**A. General Requirements**

**1. Inquiries**

Inquiries concerning the request for proposals and the subject of the request for proposals must be made to:<sup>26</sup>

**2. Submission of Proposals**

The following material is required to be received by \_\_\_\_\_, 2015<sup>27</sup> for a proposing firm to be considered:

a. A master copy (so marked) of the Proposal and 2 copies<sup>28</sup> to include the following:

i. Title Page

Title page showing the request for proposals subject; the firm's name; the name, address and telephone number of the contact person; and the date of the proposal.

ii. Table of Contents

iii. Transmittal Letter

A signed letter of transmittal briefly stating the proposer's understanding of the work to be done, the commitment to perform the work within the time period, a statement why the firm believes itself to be best qualified to perform the engagement and a statement that the proposal is a firm and irrevocable offer for 90 days.

iv. Detailed Proposal

The detailed proposal should follow the order set forth in Section VI B of this request for proposals.

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<sup>25</sup>This should be adjusted if the county is able to produce its own annual financial report or if firm will prepare under its cover.

<sup>26</sup> Identify specific contact information.

<sup>27</sup> Deadline for submitting proposal.

<sup>28</sup> Or enough copies for each selection committee member.

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b. Proposers should send the completed proposals to the following address:

\_\_\_\_\_ (Audit Contact Person)  
\_\_\_\_\_ (Title)  
\_\_\_\_\_ (Address)  
\_\_\_\_\_ (Address)

**B. Audit Proposal**

**1. General Requirements**

The purpose of the proposal is to demonstrate the qualifications, competence and capacity of the firms seeking to undertake an independent audit of the County in conformity with the requirements of this request for proposals. As such, the substance of proposals will carry more weight than their form or manner of presentation. The 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.

**2. Independence**

The firm should provide an affirmative statement that it is independent of the County as defined by the generally accepted auditing standards/the U.S. General Accounting Office's *Government Auditing Standards*.

**3. License to Practice in Minnesota**

An affirmative statement should be included that the firm and all assigned key professional staff are properly licensed to practice in Minnesota.

**4. Firm Qualifications and Experience**

The proposal 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 on a part-time basis.

The firm is also required to submit a copy of the report on its most recent external quality control review, including any letter of comments, with a statement whether that quality control review included a review of specific government engagements.

**5. 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 the engagement. Indicate whether each such person is registered or licensed to practice as a certified public accountant in Minnesota. Provide information on the government auditing experience of each person, including information on relevant continuing professional education for the past three (3) years and membership in professional organizations relevant to the performance of this audit.

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

### **6. Similar Engagements with Other Government Entities**

For the firm's office that will be assigned responsibility for the audit, list the most significant engagements performed in the last three years that are similar to the engagement, in particular counties, described in this request for proposal. Also, indicate those municipalities that achieved the Certificate of Achievement for Excellence in Financial Reporting award while your firm was engaged as their auditors.<sup>29</sup> Indicate the scope of work, date, engagement partners, total hours, and the name and telephone number of the principal client contact. Specifically identify those engagements at which the managers and other supervisors who will be assigned to this engagement have worked.

### **7. Specific Audit Approach**

The proposal should set forth a work plan, including an explanation of the audit methodology to be followed. Firms will be required to provide the following information on their audit approach:

- a. Proposed timing of the engagement,
- b. Level of staff and number of hours to be assigned to each proposed segment of the engagement,
- c. Sample sizes and the extent to which statistical sampling is to be used in the engagement,
- d. Extent of use of computer software in the engagement,
- e. Type and extent of analytical procedures to be used in the engagement,
- f. Approach to be taken to gain and document an understanding of the County's internal controls,
- g. Approach to be taken in determining laws and regulations that will be subject to audit test work.

### **8. Identification of 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 County.

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<sup>29</sup> This sentence could be deleted if your county is not participating in the certificate program.

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**C. Dollar Cost**

**1. Total All-Inclusive Maximum Price**

Attachment A must be completed and signed. Attachment A's price should specify all pricing information relative to performing the audit engagement as described in this request for proposal. The total all-inclusive maximum price is to include all direct and indirect costs including all out-of-pocket expenses.

The County will not be responsible for expenses incurred in preparing and submitting the proposal. Such costs should not be included in the proposal.

**2. Rates by Partner, Specialist, Supervisory and Staff Level Times Hours Anticipated for Each**

The cost schedule should include a schedule of professional fees and expenses broken into the above categories, if appropriate.

**3. Manner of Payment**

Progress payments will be made on the basis of hours of work completed during the course of the engagement in accordance with the firm's proposal. Interim billings shall cover a period of not less than one calendar month.

**VII. EVALUATION PROCEDURES**

**A. Selection Committee**

Proposals submitted will be evaluated by a \_\_\_\_ member Selection Committee consisting of the \_\_\_\_\_, the \_\_\_\_\_, and the \_\_\_\_\_.

**B. Evaluation Criteria**

Proposals will be evaluated using three sets of criteria. Firms meeting the mandatory criteria will have their proposals evaluated and scored for both technical qualifications and price. The following represent the principal selection criteria, which will be considered during the evaluation process.

**1. Mandatory Elements**

- a. The audit firm is independent and licensed to practice in Minnesota.
- b. The audit firm's professional personnel have received adequate continuing professional education within the preceding three years.
- c. The firm has no conflict of interest with regard to any other work performed by the firm for the County.
- d. The firm adheres to the instructions in this request for proposal on preparing and submitting the proposal.

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- e. The firm submits a copy of its last external quality control review report, including any letter of comments and the firm has a record of quality audit work.

### **2. Technical Qualifications**

- a. The firm exhibits expertise based on past experience and performance on comparable government engagements.
- b. The firm's demonstrated ability to assist its governmental clients in attaining and retaining the GFOA Certificate of Achievement in Financial Reporting.<sup>30</sup>
- c. 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

### **3. Price Consideration**

Cost will not be the primary factor in the selection of an audit firm.

### **C. Oral Presentations**

During the evaluation process, the Selection Committee may, at its discretion, request up to three firms to make oral presentations. Such presentations will provide firms with an opportunity to answer any questions the Selection Committee may have on a firm's proposal. Not all firms may be asked to make such oral presentations.

### **D. Final Selection**

The County Board will select a firm based upon the recommendation of the Selection Committee.

It is anticipated that a firm will be selected by \_\_\_\_\_, 2015. Following notification of the firm selected, it is expected a contract will be executed between both parties following the \_\_\_\_\_, 2015, \_\_\_\_\_ County Board meeting.

### **E. Right to Reject Proposals**

Submission of a proposal indicates acceptance by the firm of the conditions contained in this request for proposal unless clearly and specifically noted in the proposal submitted and confirmed in the contract between the County and the firm selected.

The County reserves the right, without prejudice, to reject any or all proposals.

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<sup>30</sup> If applicable to this engagement.

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**ATTACHMENT A**

**COUNTY  
AUDITING SERVICES**

**FEE STRUCTURE**

	<u>Fiscal Year</u>		
	<u>2015</u>	<u>2016</u>	<u>2017</u>
CAFR, etc.*	\$ _____	\$ _____	\$ _____
Single Audit	\$ _____	\$ _____	\$ _____
Draft financial statements	\$ _____	\$ _____	\$ _____
Total	\$ _____	\$ _____	\$ _____

\*Annual Financial Report, Management Letter, Minnesota Legal Compliance Letter, GFOA Certificate Response

**FIRM SUBMITTING PROPOSAL:**

\_\_\_\_\_  
Signature of Authorized Representative

\_\_\_\_\_  
Title

\_\_\_\_\_  
Name of Authorized Representative

\_\_\_\_\_  
Date