



# The City of Valdosta, GA

REQUEST FOR PROPOSAL  
#15-20-21

FOR

PROFESSIONAL AUDITING SERVICES

**DUE DATE: November 3, 2020**  
**TIME: 11:00 AM EST**

Department of Finance  
Purchasing Division  
City Hall  
P.O. Box 1125  
216 E Central Avenue, 2nd Floor  
Valdosta, Georgia 31601

## **NOTICE TO PROPOSERS**

1. Any prices offered by proposers on any item or service offered to the City of Valdosta shall be the price effective at the date of delivery.
2. No delivery date of “ASAP” (As Soon As Possible) shall be considered acceptable on items that have a maximum delivery date listed in the specifications.
3. The City of Valdosta reserves the right to accept any or all items where maximum delivery date, as listed in the specifications if not met by proposer.
4. Signature below of authorized agent for proposer shall constitute recognition and acceptance of all conditions of the sale as listed above.
5. Please be aware that private and public mail carriers are not always reliable on next day delivery in our area. Please assure your response is sent in plenty of time to reach us. As you know, late responses are not acceptable. If you utilize the US Postal Service and mail your response to the physical address, the chances are high it will be diverted to our post office box which could take an extra day or two so allow extra time for delivery. Private carriers will deliver to the physical address but include “Purchasing, 2<sup>nd</sup> Floor and Office Only Delivery” in your delivery address and be aware that although you pay overnight fees, overnight delivery is not always successful although you are told the delivery time will be met.

\_\_\_\_\_  
Company Name

\_\_\_\_\_  
Authorized Agent

### **FUND APPROPRIATION CONTINGENCY**

The proposer and the City recognize that the continuation of any contract after the close of any given fiscal year of the City of Valdosta shall be subject to the approval of the budget of the City of Valdosta providing the contract is an approved expenditure. The City does not guarantee that the expenditure will be actually adopted each year by Mayor and Council.

### **INDEMNIFY AND HOLD HARMLESS**

Contractor further agrees to indemnify, defend and hold harmless the City against (1) any and all losses, claims, damages, law suits and liabilities for any personal injury, death or property damage arising out of or as a consequence of any work performed pursuant to this contract, (2) any and all expenses related to claims or lawsuits resulting from the above including courts cost and attorney fees, (3) any and all penalties and damages incurred by reason of contractor’s failure to comply with any applicable laws, ordinances or regulations. Any court action or litigation will be performed in the State of Georgia.



**CONTRACTOR AFFIDAVIT & AGREEMENT  
(EXHIBIT A-1)**

***This affidavit must be signed, notarized and submitted with any proposal requiring the performance of physical services. If the affidavit is not submitted at the time of the bid, the bid will be determined non-responsive and will be disqualified.***

By executing this affidavit, the undersigned contractor verifies compliance with O.C.G.A. §13-10-91, stating affirmatively that the individual, firm or corporation which is contracting with Valdosta, Georgia, has registered with, is authorized to use, and is participating in a federal work authorization program (an electronic verification of work authorization program operated by the U.S. Department of Homeland Security or any equivalent federal work authorization program operated by the U.S. Department of Homeland Security to verify information of newly hired employees, pursuant to the Immigration Reform and Control Act of 1986 (IRCA)). The undersigned contractor further attests that it will continue to use the federal Employment Eligibility Verification (EEV) work authorization program throughout the contract period.

The undersigned further agrees that should it employ or contract with any subcontractor(s) or should its subcontractor(s) employ other subcontractor(s) for the physical performance of services pursuant to the contract with Valdosta, Georgia, the contractor or subcontractor will:

- (1) Notify the City within five business days of entering into a contract or agreement for hire with any subcontractor(s);
- (2) Secure from any subcontractor(s) and/or their subcontractor(s) verification of compliance with O.C.G.A. § 13-10-91 on the attached Subcontractor Affidavit (EXHIBIT A-1) prior to the commencement of any work under the contract/agreement;
- (3) Secure from any subcontractor(s) and/or their subcontractor(s) a completed Immigration Compliance Certification (EXHIBIT A-2) prior to the commencement of any work under the contract/agreement;
- (4) Provide the subcontractor(s) with legal notice that Valdosta, Georgia, reserves the right to dismiss, or require the dismissal of, any contractor or subcontractor for failing to provide the affidavit and/or for failure to comply with the requirements referenced in the affidavit;
- (5) Maintain records of such compliance and provide a copy of each such verification to Valdosta, Georgia, at the time the subcontractor(s) is retained to perform such services or upon any request from Valdosta County, Georgia; and
- (6) Maintain such records for a period of five (5) years.

\_\_\_\_\_  
EEV (E-Verify) Program User ID Number

\_\_\_\_\_  
EEV Program Date of Authorization

\_\_\_\_\_  
BY: Authorized Officer or Agent  
[Contractor Name]

\_\_\_\_\_  
Contractor Business Name

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Date

SWORN AND SUBSCRIBED BEFORE ME  
ON THIS THE \_\_\_\_ DAY OF \_\_\_\_\_, 201\_\_

\_\_\_\_\_  
Notary Public Commission Expires: \_\_\_\_\_



**NON-COLLUSION AFFIDAVIT**

The following affidavit is to accompany the bid:

STATE OF \_\_\_\_\_

COUNTY OF \_\_\_\_\_

\_\_\_\_\_

Owner, Partner or Officer of Firm

\_\_\_\_\_

Company Name, Address, City and State

Being of lawful age, being first duly sworn, on oath says that he/she is the agent authorized by the bidder to submit the attached bid. Affiant further states as bidder, that they have not been a party to any collusion among bidders in restraint of competition by agreement to bid at a fixed price or to refrain from bidding. Affiant also states as bidder, that they have not been a party to any collusion with any officer of the City of Valdosta or any of their employees as to quantity, quality or price in the prospective contract; and that discussions have not taken place between bidders and any office of the City of Valdosta or any of their employees concerning exchange of money or other things of value for special consideration in submitting a sealed bid for:

\_\_\_\_\_

Firm Name

\_\_\_\_\_

Signature

\_\_\_\_\_

Title

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_

Notary Public

## **GENERAL SPECIFICATIONS**

It is the intent of these specifications and scope of work to furnish the City of Valdosta with the following requisitioned equipment or services, according to the attached. It is clearly understood that the following are minimum specifications and are made in order to show the exact specifications of the equipment or services proposed.

The City of Valdosta reserves the right to accept any or all conditions or to choose the proposer considered to be in their best interest.

The final decision of will be made upon the award of the City of Valdosta Mayor and Council.

**NO RFP WILL BE CONSIDERED IF RECEIVED AFTER THE DATE AND TIME SPECIFIED.**

**You must put the RFP No. on the outside of your return envelope or package.**

## **INSTRUCTIONS TO PROPOSERS**

1. Proposals must be enclosed in a sealed plain envelope, with the RFP number written on the outside and endorsed with the title of the proposal, and must be filed with the Purchasing Agent of the City of Valdosta, located at 216 E. Central Ave., 2nd Floor. In the event you choose to mail your proposal, it should be mailed to Greg Brown, P.A., P.O. Box 1125, Valdosta, Ga. 31601.
2. No proposer will be allowed to withdraw his proposal for any reason whatsoever after the RFP's have been opened.
3. The specifications and scope of work represents the minimum general size, weight, capacity and performance characteristics desired in the equipment or services to be purchased. These requirements are not intended to prevent obtaining fair prices or to eliminate competition, but to insure, if possible, that all proposals submitted shall not be subject to correction or alteration after the RFP has been filed, opened, and publicly read. In view of an unusual wide disparity in details of design and manufacture, complete descriptive literature and manufacturer's specifications must be submitted on each type of equipment offered. The City of Valdosta reserves the right to evaluate any or all RFP's, particularly where there is a range in specifications. Special consideration will be given to the ready availability of repair parts and service.
4. Federal or State taxes are not applicable to Georgia Municipalities under the United States Code Title 26 and Georgia Exemption Certificate Number 3-465-686-300-1.
5. It is expressly understood by the proposer that written notice of the award or purchase order the City of Valdosta will constitute an agreement and consummate the transaction and will serve together with the proposal, the advertisement, these instructions and the detailed specifications, as the entire form of contract between the parties.
6. The proposer agrees that the City of Valdosta reserves the right to reject any or all proposals, or to accept the part of the RFP considered to be in the best interest of the City.
7. Specifications and the scope of work referred to are minimum therefore unless otherwise indicated by the proposer, the City will assume proposals meet or exceed all specifications.
8. The names of a certain brand, make or definite specifications are to demote quality standard of the article desired, but do not restrict proposers to the specific brand, make or manufacturer named; it is to set forth and convey to prospective proposers the general style, type, character and quality of the article desired.
9. The City of Valdosta reserves the right to reject all RFP's as appears in its own best interest and to waive technicalities.

**City of Valdosta**

**REQUEST FOR PROPOSALS**  
**TABLE OF CONTENTS**

I.	INTRODUCTION	8
	A. General Information	
	B. Background	
	C. Term of Engagement	
	D. Subcontracting	
II.	NATURE OF SERVICES REQUIRED	9
	A. Scope of Work to be Performed	
	B. Auditing Standards to be Followed	
	C. Reports to be Issued	
	D. Comprehensive Annual Financial Report	
	E. Working Paper Retention and Access to Working Papers	
III.	TIME REQUIREMENTS	11
	A. Proposal Calendar	
	B. Notification and Contract Dates	
	C. Date Audit May Commence	
	D. Schedule for the June 30, 2018 Fiscal Year Audit	
	E. Progress Reporting and Exit Conferences	
IV.	ASSISTANCE TO BE PROVIDED TO THE AUDITOR	12
	A. Finance Department and Clerical Assistance	
	B. Statements and Schedules to be Prepared by the Staff of The City	
V.	PROPOSAL REQUIREMENTS	13
	A. General Requirements	
	B. Technical Proposal Requirements	
	C. Cost Proposal Form	
VI.	EVALUATION PROCEDURES	19
	A. Review of Proposals	
	B. Mandatory Elements	
	C. Oral Presentations	
	D. Final Selection	
	E. Right to Reject Proposals	

APPENDICES

A.	Cost Proposal Form	22
B.	City and Records Information	25

## City of Valdosta

### REQUEST FOR PROPOSALS

#### I. INTRODUCTION

##### A. General Information

The City of Valdosta (the “City”) is requesting proposals from qualified firms of certified public accountants having sufficient governmental accounting and auditing experience to audit its financial statements for the fiscal year ending June 30, 2021, with the option of auditing its financial statements for subsequent fiscal years (Section I, B for Term of Engagement). These audits are to be performed in accordance with the provisions contained in this request for proposals.

Any resulting contract represents the entire and integrated agreement between the auditor and City and supersedes all prior negotiations, representation, or agreements, whether written or oral. The contract may only be amended by written agreement of the auditor and the City.

The City will not reimburse responding firms for any expenses incurred in preparing proposals in response to this request.

##### B. Background

The City of Valdosta is the county seat of Lowndes County and Georgia’s eleventh largest city with a growing population of about 56,000. It is tier 3 MSA and a regional economic hub. The City has a general fund operating budget of \$39.10 million and a total operating budget of \$83.4 million (see appendix C). During fiscal year 2019, the City expended approximately \$1,725,213 million in federal funding (see appendix D). The City became a HUD entitlement community in FY 05 and has received funding from the FAA for the local airport for a number of years. The FAA is the City’s cognizant agency. Additional information on the City’s environment and economy can be found in section A of the Budget and the statistical section of the CAFR.

The City currently maintains its books on Logos, an off the shelf software package by New Word Systems.

The City’s Finance Department contains both an accounting and budgeting division. The accounting division staff includes four professional accountants, and two accounting clerks. The budgeting division consists of a budget manager and a budget analyst. The accounting division prepares the CAFR, including notes, internally. The budget division prepares an annual budget and monitors budgetary compliance throughout the fiscal year.

The City has a single blended component unit, the Central Valdosta Development Authority. The City has no sub recipients that will be audited under this contract.

The city has received an unqualified opinion and has had no major audit findings each of the last five years. Prior year work papers prepared by the City are retained in electronic format and will be available to the auditor.

C. Term of Engagement

A 3-year contract is contemplated with two (2), one (1) year renewals, subject to the annual review and recommendation of the City Council, the satisfactory negotiation of terms (including a price acceptable to both City and the selected firm), the concurrence of City and the annual availability of an appropriation. The City reserves the right to terminate the contract at any time with 30 days written notice.

D. Subcontracting

No portion of the work shall be subcontracted without prior written consent of the City. In the event that the auditor desires to subcontract some part of the work specified herein, the auditor shall furnish the City the names, qualifications and experience of their proposed subcontractors. The auditor shall, however, remain fully liable and responsible for the work to be performed by subcontractor(s) and shall assure compliance with all requirements of the contract.

## II. NATURE OF SERVICES REQUIRED

A. Scope of Work to be Performed

To determine whether the basic financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information and the respective changes in financial position and cash flows, where applicable, and the respective budgetary comparison for the major funds currently including the General Fund and Sales Tax 2013 Fund, in sales tax 2020, in conformity with accounting principles generally accepted in the United States of America. The individual financial statements, schedules, and related information are not necessary for fair presentation, but will be presented as additional data. This supplemental information will be subjected to the tests and other auditing procedures applied in the audit of the basic financial statements, and an opinion will be given as to whether the supplemental information is fairly stated in all material respects in relation to the financial statements taken as a whole.

Throughout the contract period, the auditor shall advise the City on implementation of new accounting standards as promulgated by authoritative bodies. The auditor shall also advise the City on specialized accounting questions, which may arise during and subsequent to the audit.

B. Auditing Standards to be Followed

To meet the requirements of this request for proposals, the audit shall be conducted in accordance with auditing standards generally accepted in the United States of America, promulgated by the American Institute of Certified Public Accountants (AICPA) and in accordance with standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and the *Official Code of Georgia Annotated* as well as all applicable federal, state, local or other programmatic audit requirements. *If a Single Audit is required as a part of the annual audit, the audit shall be performed in accordance with American Institute of Certified Public Accountants (AICPA) Standards (GAAS), Government Auditing Standards, the Single Audit Act Amendments of 1996, and the Office of Management and Budget (OMB) Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations.*

C. Reports to be Issued

The auditor shall prepare and issue **all** required audit reports as denoted by the aforementioned standards, codes, and circulars. As professional standards or federal or state requirements change, the auditor shall adjust his/her auditing techniques and reporting formats and criteria so the new standards and requirements are met. (Any additional hours used by the auditor as a result of such changes that would cause the auditor to exceed the proposed hours as submitted in the Cost Proposal shall be treated as provided by Section V, C, 4.)

Following the completion of the audit of the fiscal year's financial statements, the auditor shall issue at a minimum:

1. Standard report on the financial statements.
2. Independent Auditor's Report on Schedule of Special Purpose Local Option Sales Tax.
3. Report on Compliance and Internal Control Over Financial Reporting Based on an Audit of the Financial Statements Performed in Accordance With Government Auditing Standards.
4. Report on Compliance with Requirements Applicable To Each Major Program and on Internal Control Over Compliance in Accordance With Uniform Guidance.

Any other reports required shall be submitted to the City upon request or as required by federal, state, local or programmatic audit requirements including but not limited to federal data collection form SF SAC.

A written management letter containing matters not included in the auditor's report on compliance and on internal control over financial reporting shall be prepared and presented to the City Manager at the conclusion of each audit. The auditor must offer recommendations for appropriate corrective action for each item

contained in the management letter.

Instances of fraud, waste, and illegal acts, or indications of such, including all questioned costs, must be covered by a separate written report to the Federal department or agency which provided the Federal assistance funds.

D. Comprehensive Annual Financial Report

The City will submit required copies to the Georgia Department of Audits and Accounts no later than December 22, 2021. The City will send its comprehensive annual financial report to the Government Finance Officers Association of the United States and Canada for review in their Certificate of Achievement for Excellence in The Financial Reporting program. The deadline for submission is December 31<sup>st</sup> of each calendar year.

E. 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 three (3) years, unless the firm is notified in writing by the City of the need to extend the retention period. The auditor will be required to make working papers available to the GAO, Federal agencies or any party filing open records requests upon request of the City.

At the City' request, 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. TIME REQUIREMENTS

A. Proposal Calendar

Request for proposal issued	September 29, 2020
Question Cut Off	October 15, 2020 11:00 AM EST
Due date for proposals	November 3, 2020, 11:00 AM EST

B. Notification and Contract Dates

Selected firm notified	December 11, 2020 or Council Approval
Contract date	Date of Commencement

C. Date Audit May Commence April 12, 2021

The City will have all records ready for testing as of September 12, 2021 and present trial balances of all funds by October 4, 2021.

D. Schedule for the June 30, 2021 Fiscal Year Audit (A similar time schedule will be developed for audits of future fiscal years, if the City exercises its option for additional audits).

Each of the following should be completed by the auditor no later than the dates indicated.

1. Detailed Audit Plan

The auditor shall provide the City within two weeks of commencing, a timetable, a detailed audit plan, and a list of all schedules to be prepared by the City.

2. Draft Reports

The auditor shall have drafts of the audit report[s], journal entries, and recommendations to management available for review by the Finance Department and the Finance Director by November 8, 2021. The Finance Director shall provide all recommendations, revisions and suggestions for improvement to the Auditor by November 15, 2020. A revised report, including a draft auditor's report shall be delivered to the Finance Department by November 29, 2021.

3. Final Report

The City shall prepare, type, and print the Comprehensive Annual Financial Report to include notes and all required supplementary schedules and statistical tables.

The auditor will be expected to meet with the Mayor, City Manager, and Finance Director and to appear before the City Council to present a review of their findings in conjunction with a presentation of the audit report.

E. Progress Reporting and Exit Conferences

The exit conference should be held by November 1, 2021, to summarize the results of the fieldwork and to review significant findings.

IV. ASSISTANCE TO BE PROVIDED TO THE AUDITOR

A. Finance Department and Clerical Assistance

The Finance Department 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 auditor with the assistance of the Finance Department. The City's prior year CAFR is available online at [www.valdostacity.com](http://www.valdostacity.com).

B. Statements and Schedules to be prepared by the Staff of the City

The staff of the City is available for limited assistance in the engagement. Adequate supervision and reasonable lead-time must be provided by the auditor. A "Prepared by Client" list shall be given to the Finance Director outlining all required financial documents and schedules desired by the auditor.

Supporting schedules and analysis may be provided under the following circumstances:

- a. Schedules performed during the normal course of the Finance Department's duties.
- b. Any additional schedules mutually agreed upon by both parties within two weeks of commencement of fieldwork.

Work papers prepared by Finance department staff are available upon request.

- C. The City's legal counsel will be available to the auditor. Legal counsel is provided to the City by:

Tim Tanner  
Coleman, Talley, LLP  
PO Box 5437  
Valdosta, GA 31603

## V. PROPOSAL REQUIREMENTS

### A. General Requirements

#### 1. Inquiries

Inquiries and/or questions concerning this request for proposals shall be emailed, only no later than October 15, 2020 at 11:00 AM EST, to The Director of Finance, Mr. Charles Dinkins Jr. of the City and copied to the Purchasing Agent. Be sure to note the subject of the email as "2021 Audit RFP". The contact information is as follows:

#### **City of Valdosta Finance Department**

Charles Dinkins, Jr., Finance Director  
[cdinkins@valdostacity.com](mailto:cdinkins@valdostacity.com)

Greg Brown, Purchasing Agent  
[gbrown@valdostacity.com](mailto:gbrown@valdostacity.com)

City Hall  
216 E Central Avenue,  
Valdosta, Georgia 31601  
(229) 259-3512 office  
(229) 333-1858 fax

#### 2. Submission of Proposals

The following material is required to be received by 11:00 AM EST, November 3, 2020, for a proposing firm to be considered: (Failure to respond to any requirement outlined in the RFP, or failure to enclose copies of the required documents, may

disqualify the proposal.) Late submittals will not be accepted.

- a. Technical Proposal-original and **five copies not including an additional electronic copy (thumb drive)** to include the following:

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

**Technical Proposal**-The detailed proposal should follow the order set forth in Section V, B of this request for proposal.

- b. The proposer shall submit original and five copies **not including an additional electronic copy (thumb drive)** of a signed **Cost Proposal Form (Appendix A)** in a **separate sealed envelope included in package** marked as follows:

Cost Proposal Form  
For  
City of Valdosta  
For  
Professional Auditing Services  
due by November 3, 2020, 11 AM EST

- c. Proposers should send the completed proposal consisting of the two separate envelopes to the following address:

City of Valdosta Department of Finance  
Greg Brown, Purchasing Agent  
City Hall  
P.O. Box 1125  
216 E Central Avenue, 2nd Floor  
Valdosta, Georgia 31601

### 3. INTEGRATED AGREEMENT

Any resulting contract represents the entire and integrated agreement between the auditor and City and supersedes all prior negotiations, representation, or agreements, whether written or oral. The contract may only be amended by written agreement of the auditor and the City.

#### B. Technical Proposal Requirements

**THERE SHOULD BE NO DOLLAR UNITS OR TOTAL COSTS INCLUDED  
IN THE TECHNICAL PROPOSAL DOCUMENT.**

The Technical Proposal should address the requested information below. The

corresponding responses should begin with the number associated with the requested information.

1. Independence

The firm should provide an affirmative statement that it is independent of the City and its component unit as defined by *Government Auditing Standards* issued by the Comptroller General of the United States.

The firm should also list and describe the firm's (or proposed subcontractors') professional relationships involving the City or component unit for the past five (5) years, together with a statement explaining why such relationships do not constitute a conflict of interest relative to performing the proposed audit.

In addition, the firm shall give the City written notice of any professional relationships entered into during the period of this agreement.

2. License to Practice in Georgia

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

3. Firm Qualifications and Experience

The proposer should state the size of the firm, the size of the firm's governmental audit staff and the location of the office from which the work on this engagement is to be performed.

If the proposer is a joint venture or consortium, the qualifications of each firm comprising the joint venture or consortium should be separately identified and the firm that is to serve as the principal auditor should be noted, if applicable.

4. External Quality Control Review

The firm is also required to submit a copy of the report on its most recent peer review, with a statement whether that peer review included a review of specific government engagements.

5. Results of Federal or State Reviews

The firm 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 firm 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.

6. 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 Georgia. 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. A statement should be included which indicates the auditor's staff to be assigned to the engagement meet the continuing education requirements of the *Government Auditing Standards* issued by the Comptroller General of the United States. Individuals identified as principal supervisory and management staff for purposes of this request for proposal can only be changed with the express written permission of the City. Other audit personnel may be changed at the discretion of the proposer provided that replacements have substantially the same or better qualifications or experience.

Consultants and firm specialists mentioned in response to this request for proposal can only be changed with the express prior written permission of the City, which retains the right to approve or reject replacements.

#### 7. Prior Engagements with the City

List separately all engagements within the last five years, ranked on the basis of total staff hours, for the City by type of engagement (i.e., audit, management advisory services, other). Indicate the scope of work, date, engagement partners, total hours, the location of the firm's office from which the engagement was performed, and the name and telephone number of the principal client contact.

Prior experience with the proposer will be considered (if applicable) with emphasis on report and work paper quality and track record of meeting agreed upon delivery dates.

#### 8. 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 five years that are similar to the engagement described in this request for proposal. 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, telephone number, and email address of the principal client contact.

#### 9. 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 proposal. In developing the work plan, reference should be made to such sources of information as the City's budget and related materials, CAFRs, organizational charts, manuals and programs, and financial and other management

information systems.

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

- a. Proposed segmentation of the engagement to include an explanation of the audit methodology to be followed to perform the services required (an overview of start-up work that would be required in the first audit year should also be included)
- b. Level of staff and number of hours to be assigned to each proposed segment of the engagement
- c. The extent to which statistical sampling is to be used in the engagement
- d. Type and extent of analytical procedures to be used in the engagement
- e. Approach to be taken to gain and document an understanding of the City's internal control structure.
- f. Approach to be taken in determining laws and regulations that will be subject to audit test work
- g. Extent to which specialists will be used
- h. Approach to be taken in drawing audit samples for purposes of tests of compliance

10. 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 City.

11. Describe liability coverage arrangements.

C. Cost Proposal Form

1. General Requirements-The first page of the sealed Cost Proposal Form should include the following information:
  - a. Name of Firm
  - b. Certification that the person signing the proposal is entitled to represent the firm, empowered to submit the proposal, and authorized to sign a contract with the City.

- c. A Total All-Inclusive Maximum Price for the June 30, 2021, engagement and each of the two subsequent years. The total all-inclusive maximum price being proposed is to contain all direct and indirect costs including all out-of-pocket expenses.
- d. An amount of professional services, in hours, allowed each year without additional cost to the City. Such services will not be directly related to the annual audit.

The second page of the Cost Proposal Form should include a schedule of professional fees and expenses, presented in the format provided in Appendix A, which supports the total all-inclusive maximum price.

2. Rates by Partner, Specialist, Supervisory and Staff Level Times Hours Anticipated for Each
3. Out-of-pocket Expenses Included in the Total All-inclusive Maximum Price and Reimbursement Rates

Out-of-pocket expenses for firm personnel (e.g., travel, lodging and subsistence) will be reimbursed at the rates used by the City for its employees. All estimated out-of-pocket expenses to be reimbursed should be presented on the second page of the Cost Proposal Form in the format provided in the attachment (Appendix A). All expense reimbursements will be charged against the total all-inclusive maximum price submitted by the firm.

In addition, a statement must be included in the Cost Proposal Form stating the firm will accept reimbursement for travel, lodging and subsistence at the prevailing City rates for its employees.

4. Rates for Additional Professional Services

If it should become necessary for the City to request the auditor to render any additional services to either supplement the services requested in this RFP 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 City and the firm. Any such additional work agreed to between the City and the firm shall be performed at the same rates set forth in the schedule of fees and expenses included in the Cost Proposal Form.

In the event during the course of the audit it is determined by any party a change in the scope of the audit work is necessary, the discovering party shall promptly notify the other parties in writing. If the auditor becomes aware that the City is subject to audit requirements that may not be encompassed in the terms of the contract, he or she shall communicate this situation immediately to the City's Finance Department.

The City retains the right to contract with other auditing firms for additional

services to either supplement the services requested in the RFP, to perform additional work as a result of the specific recommendations included in any report issued on this engagement, or any other agreed-upon procedures deemed necessary during the course of the contract period.

5. Manner of Payment

Progress payments 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 Cost Proposal Form.

VI. EVALUATION PROCEDURES

A. Review of Proposals

Proposals submitted will be evaluated by the City's Selection Committee, subject to Council approval.

Proposals will be evaluated using the general, technical, and cost criteria as described in Section V. Firms meeting the mandatory criteria below will have their proposals evaluated for both technical qualifications and cost as follows:

Qualifications and Experience	40%
Similar Engagements with Other Governments	20%
Specific Audit Approach	20%
Size and Structure of Firm	10%
Cost	10%

During the evaluation process, the City's Selection Committee and the City reserve the right, where it may serve the City's best interest, to request additional information or clarifications from proposers, or to allow corrections of errors or omissions.

The City 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 by and between the City and the firm selected.

B. Mandatory Elements

**FAILURE TO MEET THE MANDATORY REQUIREMENTS DESCRIBED BELOW WILL RESULT IN IMMEDIATE REJECTION OF THE ENTIRE PROPOSAL AND NO EVALUATION OF THE REMAINDER OF THE TECHNICAL COMPONENT OR OF THE COST PROPOSAL WILL BE MADE**

Mandatory Elements:

- a. The audit firm is independent and licensed to practice in Georgia.
- b. The firm has no conflict of interest with regard to any other work performed by the firm for the City. It must meet the independence standards of the Government Auditing Standards: Standards for Audit of Governmental Organizations, Programs, Activities and Functions, published by the GAO.
- c. The firm adheres to the instructions in this request for proposal 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.

C. Oral Presentations

During the evaluation process, the Finance Department may, at its discretion, request any one or all firms to make oral presentations. Such presentations will provide firms with an opportunity to answer any questions the Finance Department may have on a firm's proposal. Not all firms may be asked to make such oral presentations. City will not be responsible for any fees or expenses if your firm is selected to present orally.

D. Final Selection

The City will select a firm based upon the recommendation of the City Manager subject to Council approval.

It is anticipated that a firm will be selected by December 11, 2020. Following notification of the firm selected, it is expected a contract will be executed between both parties within one (1) week.

Prior to the final contract execution, the selected auditor will be required to enter into discussions with the City to resolve any contractual differences. These discussions are to be finalized and all exceptions resolved within ten (10) calendar days of notification, if not, this could lead to rejection of the proposal.

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 City and the firm selected.

The City reserves the right without prejudice to reject any or all proposals, to waive irregularities and technicalities, and to request resubmission. Any proposal, which does not include all the required statements and affirmations called for in this RFP, will be automatically rejected as not being responsive.

**APPENDIX A**  
**COST PROPOSAL**

We have examined the Request for Proposals, Specifications, Requirements, and related documents and are familiar with all the conditions surrounding this Request for Proposals, and hereby propose in accordance with these Contract Documents, the costs stated below. These costs are to cover all expenses incurred in performing the Work required as defined herein.

We agree that this offer may not be revoked or withdrawn after the time set for the opening of proposals but shall remain open for acceptance for a period of one hundred eighty (180) days following such time.

We agree to execute a Contract for the Work as stated herein by April 12, 2021.

By submitting this proposal, we agree to perform all work as described herein based on the following fee schedule:

Total All-inclusive Maximum price for the June 30, 2021 Audit \$ \_\_\_\_\_

Total All –inclusive Maximum Price for the June 30, 2022 Audit \$ \_\_\_\_\_

Total All-inclusive Maximum Price for the June 30, 2023 Audit \$ \_\_\_\_\_

Are the above prices based on a fixed rate with hourly charges only for additional work required?  
\_\_\_\_\_

Number of professional service hours allowed each year without additional cost to the City.  
\_\_\_\_\_

I, \_\_\_\_\_, hereby certify that I am entitled to represent the firm, empowered  
(PLEASE PRINT)  
to submit this proposal, and authorized to sign a contract with the City of Valdosta, GA.

SIGNED \_\_\_\_\_ DATE \_\_\_\_\_

PRINTED NAME \_\_\_\_\_

Firm Name \_\_\_\_\_

Firm Address \_\_\_\_\_

Phone Number \_\_\_\_\_ Email: \_\_\_\_\_

**SCHEDULE OF PROFESSIONAL FEES AND EXPENSES  
FOR THE AUDIT OF THE JUNE 30, 2021 FINANCIAL STATEMENTS**

EXPENSE TYPE	HOURS	HOURLY RATE	TOTAL
PARTNERS			
MANAGERS			
SUPERVISORY STAFF			
OTHER (SPECIFY)			
TOTAL FOR SERVICES DESCRIBED IN RFP			
OUT OF POCKET EXPENSES (REF: SECTION V.C.3)			
MEALS AND LODGING			
TRANSPORTATION			
OTHER (SPECIFY)			
TOTAL ALL-INCLUSIVE COST FOR 2021 AUDIT			
AMOUNT OF PROFESSIONAL SERVICES, IN HOURS, ALLOWED FOR 2021 YEAR WITH ADDITIONAL COST			

**SCHEDULE OF PROFESSIONAL FEES AND EXPENSES  
FOR THE AUDIT OF THE JUNE 30, 2022 FINANCIAL STATEMENTS**

EXPENSE TYPE	HOURS	HOURLY RATE	TOTAL
PARTNERS			
MANAGERS			
SUPERVISORY STAFF			
OTHER (SPECIFY)			
TOTAL FOR SERVICES DESCRIBED IN RFP			
OUT OF POCKET EXPENSES (REF: SECTION V.C.3)			
MEALS AND LODGING			
TRANSPORTATION			
OTHER (SPECIFY)			
TOTAL ALL-INCLUSIVE COST FOR 2022 AUDIT			
AMOUNT OF PROFESSIONAL SERVICES, IN HOURS, ALLOWED FOR 2022 YEAR WITH ADDITIONAL COST			

**SCHEDULE OF PROFESSIONAL FEES AND EXPENSES  
FOR THE AUDIT OF THE JUNE 30, 2023 FINANCIAL STATEMENTS**

EXPENSE TYPE	HOURS	HOURLY RATE	TOTAL
PARTNERS			
MANAGERS			
SUPERVISORY STAFF			
OTHER (SPECIFY)			
TOTAL FOR SERVICES DESCRIBED IN RFP			
OUT OF POCKET EXPENSES (REF: SECTION V.C.3)			
MEALS AND LODGING			
TRANSPORTATION			
OTHER (SPECIFY)			
TOTAL ALL-INCLUSIVE COST FOR 2023 AUDIT			
AMOUNT OF PROFESSIONAL SERVICES, IN HOURS, ALLOWED FOR 2023 YEAR WITH ADDITIONAL COST			

I hereby certify that I have not, nor has any member of the firm(s) or corporation(s), either directly or indirectly, entered into any agreement, participated in any collusion, nor otherwise taken any action in restraint of free competitive bidding in connection with this submitted proposal.

Authorized Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Company Name: \_\_\_\_\_

Company Address: \_\_\_\_\_

Telephone Number: \_\_\_\_\_

Email: \_\_\_\_\_

Date: \_\_\_\_\_ E-Verify No.: \_\_\_\_\_

Has your company ever been debarred from doing business with any local, State, or Federal Agency? Yes \_\_\_ No \_\_\_

## APPENDIX B

### CITY AND RECORDS INFORMATION

I. Name of Contact Person/Location of Offices

During the audit engagement, the auditor's principal contact with the City will be Mr. Charles Dinkins, Jr., Finance Director or a designated representative, who will coordinate the assistance to be provided by the City to the auditor. A conference room in the Finance Department will be the designated work area with access to telephones, a copy machine, fax, and internet and network connections.

II. Financial Documents

Financial documents are available for review on the City's official web page, [www.valdostacity.com](http://www.valdostacity.com).

## FY 21 Proposed Financial Plan

	Governmental Funds				Proprietary Funds		Permanent Fund
	Total Combined	General Fund	Special Revenue Funds	Capital Project Funds	Enterprise Funds	Internal Service Funds	Cemetery Trust Fund
<b>Projected Sources of Funds:</b>							
<b>Revenues:</b>							
Taxes	\$48,486,433	\$33,580,333	\$2,500,100	\$12,406,000	\$0	\$0	\$0
Locally Generated Non-Tax Revenues	47,095,341	1,893,101	1,000	0	32,039,778	13,129,430	32,032
Revenues from Other Governments	3,098,847	1,649,767	659,080	630,000	160,000	0	0
Capital Contributed to Fund	8,945,456	0	0	0	8,945,456	0	0
Receipts from Other Funds of the City	7,789,765	5,141,829	0	0	275,000	2,372,936	0
Total Sources	<u>115,415,842</u>	<u>42,265,030</u>	<u>3,160,180</u>	<u>13,036,000</u>	<u>41,420,234</u>	<u>15,502,366</u>	<u>32,032</u>
<b>Projected Uses of Funds:</b>							
Operating Expenditures	84,803,937	39,794,734	2,632,289	0	27,187,519	15,181,291	8,104
Capital Expenditures	35,704,404	468,400	0	19,634,004	12,409,000	3,193,000	0
Capital Distribution	(15,602,000)	0	0	0	(12,409,000)	(3,193,000)	0
Debt Service	2,161,330	223,196	0	0	1,805,302	132,832	0
Disbursements to Other Funds of the City	7,789,765	1,714,499	675,000	749,735	4,250,531	400,000	0
Total Uses	<u>114,857,436</u>	<u>42,200,829</u>	<u>3,307,289</u>	<u>20,383,739</u>	<u>33,243,352</u>	<u>15,714,123</u>	<u>8,104</u>
Excess (Deficit) of Sources Over Uses	558,406	64,201	(147,109)	(7,347,739)	8,176,882	(211,757)	23,928
Estimated Fund Balance: July 1, 2020	<u>173,521,154</u>	<u>4,572,461</u>	<u>3,516,111</u>	<u>18,803,813</u>	<u>143,723,457</u>	<u>1,287,877</u>	<u>1,617,435</u>
Estimated Fund Balance As of June 30,	<u>\$174,079,560</u>	<u>\$4,636,662</u>	<u>\$3,369,002</u>	<u>\$11,456,074</u>	<u>\$151,900,339</u>	<u>\$1,076,120</u>	<u>\$1,641,363</u>