



SOLICITATION NO.: RFP xx/2020
BUYER: Cale Turner, CPPB
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TITLE: Performance (Integrated) Audit Services

ISSUE DATE: xx/xx/xxxx

RETURN PROPOSAL NO LATER THAN: xx/xx/xxxx AT 5:00 PM CENTRAL TIME (END DATE)

VENDORS ARE ENCOURAGED TO RESPOND ELECTRONICALLY THROUGH THE CITY'S E-BIDDING WEBSITE BUT MAY RESPOND BY HARD COPY (See Mailing Instructions Below)

MAILING INSTRUCTIONS: Print or type **Solicitation Number** and **End Date** on the lower left hand corner of the envelope or package. Delivered sealed proposals must be in the Purchasing Division office (701 E. Broadway, 5th Floor) by the return proposal date and time.

	(U.S. Mail)	(Courier Service)
RETURN PROPOSAL TO:	CITY OF COLUMBIA PURCHASING or CITY OF COLUMBIA PURCHASING	CITY OF COLUMBIA PURCHASING
	PO BOX 6015	701 E. BROADWAY, 5th FLOOR
	COLUMBIA MO 65205	COLUMBIA MO 65201

CONTRACT PERIOD: Effective Date of Contract through One (1) Year

DELIVER SUPPLIES/SERVICES FOB (Free On Board) DESTINATION TO THE FOLLOWING ADDRESS:

**City of Columbia, Finance Department
 701 E. Broadway, 5th Floor
 Columbia, MO 65201**

The vendor hereby declares understanding, agreement and certification of compliance to provide the items and/or services, at the prices quoted, in accordance with all requirements and specifications contained herein. The vendor further agrees that the language of this RFP shall govern in the event of a conflict with his/her proposal. The vendor further agrees that upon receipt of an authorized purchase order from the Purchasing Division or when a Contract is signed and issued by an authorized official of the City of Columbia, a binding contract shall exist between the vendor and the City of Columbia.

SIGNATURE REQUIRED

VENDOR NAME	
MAILING ADDRESS	
CITY, STATE, ZIP CODE	

CONTACT PERSON	EMAIL ADDRESS
PHONE NUMBER	FAX NUMBER
VENDOR TAX FILING TYPE WITH IRS (CHECK ONE) <input type="checkbox"/> Corporation <input type="checkbox"/> Individual <input type="checkbox"/> State/Local Government <input type="checkbox"/> Partnership <input type="checkbox"/> Sole Proprietor <input type="checkbox"/> IRS Tax-Exempt	
AUTHORIZED SIGNATURE	DATE
PRINTED NAME	TITLE

1. GENERAL REQUIREMENTS

PURPOSE:

The City of Columbia Missouri, is seeking the professional services of an experienced contractor to conduct a variety of performance (integrated) audit services, on an as-needed basis, in response to requests from the City Manager. The initial performance audit will include an examination of the budget processes, an examination of Cash Management/Investing, and a review of the policies and procedures of the Finance Department. The City desires to enter into a professional services contract with a qualified proposer who can demonstrate competency and experience in providing audit services for local governments.

SCHEDULE OF ACTIVITIES:

DATE	ACTIVITY
xx/xx/xxxx	Close of written <i>Requests for Additional Information</i>
Xx/xx/xxxx	Written responses to <i>Requests for Additional Information</i> sent to all
Xx/xx/xxxx	Request for Proposal is due by 5:00 p.m. CST
Xx/xx/xxxx	Contract Start Date
The above dates are target dates and may change.	

PROPOSAL SUBMISSION:

Proposals may be submitted in a sealed envelope at the purchasing office **or** uploaded electronically on the City’s E-bidding website. No fax or e-mail proposals will be accepted. Sealed proposals must be delivered to the Purchasing Department, 701 E. Broadway, 5th Floor, Columbia, MO 65201 by the closing date and time. Proposals received after the appointed time will be determined non-responsive and will not be opened. Sealed proposals must be submitted in five (5) copies, one of which must be an original and so marked. The proposals must be in sealed envelopes and marked in bold letters “RFP **xx/2020** - Performance Audit Services”.

QUESTIONS/CLARIFICATIONS OF THE REQUEST FOR PROPOSAL:

All questions concerning the solicitation and specifications shall be submitted in writing via e-mail or fax to the name below. You are encouraged to submit your questions via e-mail.

Cale Turner, Purchasing Agent
 Phone: (573) 874-7375
 E-mail: cale.turner@como.gov

Any oral responses to any question shall be unofficial and not binding on the City of Columbia. An Addendum to this RFP providing the City of Columbia’s official response will be issued if necessary to all known prospective offerors. Questions must be submitted no later than 5:00 p.m. on **xx/xx/xxxx**.

This written *Request for Additional Information* will take place of the normal Pre-Proposal Conference.

VALIDITY OF PROPOSALS:

Offerors agree that proposals will remain firm for a period of ninety (90) calendar days after the date specified for the return of proposals.

REJECTION OF PROPOSALS:

The City of Columbia reserves the right to reject any or all proposals received in response to this RFP, or to cancel

the RFP if it is in the best interest of the City of Columbia to do so. Failure to furnish all information requested in this RFP may disqualify the proposal. Any exceptions to the requirements specified must be identified in the proposal.

WITHDRAWAL OF PROPOSALS:

Any offeror may withdraw his proposal at any time prior to the scheduled closing time for the receipt of proposals. However, no proposal will be withdrawn for a period of ninety days after the scheduled closing time for the receipt of proposals.

ALTERATION OF SOLICITATION:

The wording of the City of Columbia’s solicitation may not be changed or altered in any manner. Offerors taking exception to any clause in whole or in part should do so by listing said exceptions on their letterhead and submitting them with their proposal; such exceptions will be evaluated and accepted or rejected by the City of Columbia, whose decision will be final.

RESPONSE MATERIAL OWNERSHIP:

All material submitted regarding this RFP becomes the property of The City of Columbia. Any person may review proposals after the “Notice of Intent to Award” letter has been issued, subject to the terms of this solicitation.

INCURRING COSTS:

The City of Columbia shall not be obligated or be liable for any cost incurred by Offerors prior to issuance of a Contract. All costs to prepare and submit a response to this solicitation shall be borne by the Offeror.

COLLUSION CLAUSE:

Any agreement or collusion among Offerors and prospective Offerors to illegally restrain freedom of competition by agreement to fix prices, or otherwise, will render the proposals of such Offerors void.

CONTRACT DOCUMENTS:

The final Contract between the City of Columbia and the Offeror will include by reference:

- Offeror’s Proposal
- The RFP

Any changes, additions or modifications hereto will be in writing and signed by the Purchasing Agent. No other individual is authorized to modify the Contract in any manner.

FUNDS:

Financial obligations of the City of Columbia payable after the current fiscal year are contingent upon funds for that purpose being appropriated, budgeted, and otherwise made available. In the event funds are not appropriated, any resulting Contract will become null and void, without penalty to the City of Columbia.

2. BACKGROUND INFORMATION

The City of Columbia, Missouri is a full-service city and has a Council-Manager form of government. It is the county seat of Boone County and home to the University of Missouri. With an estimated 123,180 residents 2018, Columbia is Missouri's fourth most-populous and fastest growing city.

The Adopted Fiscal Year 2020 (FY20) annual budget is \$488.2 million. The City employs 1,517 permanent

employees.

For general information about the City, the Mayor and Council, and City departments, please visit the City’s web site at <http://como.gov>.

3. SPECIFICATIONS AND REQUIREMENTS

PERIOD OF SERVICE:

The performance audit service will be for one (1) year. If the City determines it to be advantageous, it may extend the term of the contract for up to four (4) additional one-year periods.

SCOPE OF SERVICES:

1. The City of Columbia is seeking the professional services of an experienced contractor to conduct a variety of performance (integrated) audit services, on an as-needed basis, in response to request from the City Manager. The audit services could include financial, compliance, investigative, or other performance audits.
2. The initial audit will examine the Budgeting process, Cash Management/Investing, and a review of the policies and procedures of the Finance Department.
3. The Performance audit shall do a risk assessment and evaluation of internal controls
4. The Performance audit shall entail objective and systematic examination of evidence to provide an independent assessment of the performance and management of a program or function against objective criteria.
5. Audit work shall be summarized in a report with findings, conclusions, and recommendations. A presentation to the Mayor and Council and/or City Manager may be requested.
6. The initial audit shall encompass a variety of objectives, including assessing program effectiveness and results, economy and efficiency, and compliance with legal or other requirements.
7. The Performance audits shall provide information to improve program operations and facilitate decision making by parties with responsibility to oversee or initiate corrective actions, and improve public accountability

AUDIT FIRM RESPONSIBILITIES:

1. Maintain a pool of highly qualified performance auditors at all levels (Associate, Senior, Manager, Partner) assigned to provide professional services to meet the City’s performance audit
2. At the request and direction of the City, use experienced performance auditors to develop performance audit plans and engagement proposals, to be approved by the City.
3. Provide performance and resource management of performance audit services, including related reporting, under the direction of the City.
4. Maintain a set of intellectual materials (studies, white papers, opinions, recommendations, strategies, plans, approaches, policies, and practices, a knowledge database, applied experience documentation, organizational technology, relationships, and professional skills) to support performance audit services and make the material available for use by the City.
5. Conduct the work under applicable professional standards, including
 - a. Federal and State rules and regulations
 - b. Generally Accepted Government Auditing Standards (GAGAS i.e. the “Yellow Book”)
 - c. Standards for the Professional Practice of Performance Auditing and Local Government Units
 - d. Government Accounting Auditing Financial Reporting (GAAFR)
 - e. The Institute of Internal Auditors (IIA)
 - f. Other applicable regulations or guidelines

AUDIT ENGAGEMENTS:

The awarded contractor must be able to conduct a wide variety of performance audit engagements, in accordance

with the following provisions.

1. For each task or audit assigned, the contractor shall submit for approval before field work commences: an audit plan with detailed audit steps, personnel assignments, an estimate of hours, total cost and dates for completing various audit milestones and deliverables. If during an audit, the contractor reasonably determines that the hours to complete the task will exceed the originally approved estimated hours, the contractor must submit in written request to approve the additional time. The contractor's written request must include all reasons for the additional time, as well as the new estimate of hours to complete the task.
2. The contractor shall arrange the entrance conference that is attended by the contractor and City staff identified by the City.
3. The contractor and designated City staff shall have periodic progress meetings during the audit.
4. The contractor shall prepare a draft report based on the findings identified during fieldwork. The findings must be fully documented in the contractor's work papers. The contractor must produce audit reports and other deliverables of exceptional high quality.
5. The contractor shall send the draft report to the designated City staff for review and comment.
6. The contractor shall arrange an exit conference with appropriate City staff. At the exit conference, the auditee will be requested to provide a written response to the draft report within a specified time frame to the contractor, with a copy to the City. The response shall be communicated electronically and in hard copy.
7. The contractor, in conjunction with the designated City staff, will review the auditee's response to determine if a rebuttal is warranted.
8. If a rebuttal is warranted, the contractor shall prepare it and include it after the auditee's response.
9. The contractor shall invoice the City when each deliverable has been accepted. Typical deliverables include the audit plan, the draft audit report and the final audit report. An itemized listing of hours spent on the project is to accompany the deliverables to the City.
10. The contractor shall provide a hard copy and an electronic copy of the final audit report.

DELIVERABLES:

1. The contractor shall prepare and submit audit plans and audit reports. Audit reports shall be tailored to the requirements of the specific audit. However, reports will include but will not be limited to these sections:
 - a. Executive Summary
 - b. Background
 - c. Objectives, Scope and Methodology
 - d. Findings
 - e. Recommendations, and
 - f. Auditee Response
2. Reports are to be prepared in a clear and concise manner. Detailed information is to be included in the body of the findings. When preparing the findings section in the audit report, the first sentence of each finding is to contain a synopsis of the findings, followed by detail information to fully support the findings. Recommendations are to be fully supported by and consistent with the findings.
3. Work papers are to clearly document interviews, audit steps, results of audit steps, audit findings and other documentation as relevant. The audit work papers shall be retained by the City. At the time the contractor submits their draft report, the City shall have the right to review the contractor's work papers. Should the City reject a report, the contractor will be notified in writing of such rejection giving the reason(s). The right to reject a report shall extend throughout the term of the contract, and thereafter, if applicable, until completion of the audit and acceptance by the City.
4. Upon completion of the final report, the contractor may be requested to provide a presentation to the Mayor and Council and/or City Manager on key findings and recommendations.

CITY'S RESPONSIBILITIES:

1. For each engagement, the City responsibilities include, but are not limited to, the following:
 - a. Approving the audit plan, including objectives, scope, and methodology, as prepared by contractor
 - b. Commenting, reviewing and approving engagement letters
 - c. Conducting periodic progress meetings with the contractor.

- d. Reviewing the contractor’s draft audit report (or other engagement product) and providing comments on the draft
- e. Reviewing the final draft and notifying the contractor to finalize the audit report
- 2. The contractor will be given access to records of the City, and reasonable access to the staff for the purpose of interviews and the verification of items, within the terms of the audit. It is expected that the contractor will organize the work in such a way as to minimize disruption of work of the City employees in pursuit of their normal duties.

4. REQUIRED PROPOSAL SUBMITTALS

TRANSMITTAL LETTER

All Offerors must submit a transmittal letter prepared on the vendor’s letterhead. An individual who is authorized to bind this firm to all statements, services, and prices contained in the proposal for both the primary and sub firms must sign the letter. In addition, a letter from any sub-vendor to be used in the service should be included. This letter must be signed by an individual who is authorized to bind the firm and should give a brief description of the work they are to perform.

VENDOR INFORMATION:

Provide information about your firm to include:

- Name, address, phone and fax number(s) and email address of firm
- Name and title of primary contact person
- Date firm established
- Proposed service team including titles and responsibilities
- Resume on each team member

REQUIRED DETAIL:

- 1. A written description of your audit approach.
- 2. Disclose any potential conflict of interest which may occur because of acceptance of this engagement.
- 3. Is your firm currently involved in any litigation, mainly in the area of government, where your audit opinion and work are being challenged in court? If yes, explain in detail.

EXPERIENCE/REFERENCES:

- 1. Describe briefly the scope of your firm’s staff resources and the range of specialties offered by your firm, in addition to municipal auditing and utility experience, which might be of value to the City of Columbia. Describe your firm’s experience and approach in auditing investments and related transactions.
- 2. Describe your firm’s experience in providing performance/integrated audit reviews for both the public and private sectors, and provide at least five (5) examples with staff hours and cost. An emphasis should be placed on examples of performance/integrated audits of municipalities or political subdivisions in Missouri.
- 3. Biographies, including experience of individuals who will be assigned to the engagement, and relevant experience of each in auditing municipalities and electric utilities. Include a detailed representation of the organization of the audit team; approximate percentage of time that each member would spend on the audit; and approximate staff time allocated to various audit areas.
- 4. Provide a list of the local office’s (not your firm as a whole) local government audit clients for the current year and five preceding fiscal years. Indicate the type(s) of services performed and the number of years served for each.

PRICING TO BE QUOTED:

Submit a separate price proposal that includes all cost components of the contractor’s professional services proposal that represents the total cost of the professional services for the initial audit of the Budget Process, Cash Management/Investing, and review of policies and procedures of the Finance Department.

The pricing must be submitted in a separate envelope marked “RFP xx/2020 Financial & Compliance Audit Services - PRICING”. If you are submitting your bid electronically you must upload a separate attachment with the file name RFP xx/2020 Financial & Compliance Audit Services PRICING.

FORMAT OF PROPOSAL

Proposals are to be kept within 30 pages with a minimum font size of 11.

5. EVALUATION CRITERIA AND AWARD

Evaluation will be based on all elements of response to proposal criteria.

Proposal Evaluation: It is the purpose of this request for proposal to obtain data as complete as possible from each offeror that will enable the City of Columbia to determine which prospective firm is best able to serve all the criteria which are to be considered in the award of this contract. Evaluation of the offerors qualifying as finalists will be based on the following criteria:

- 30 points The skill, experience and time commitments of the specific persons who will be performing the services requested.
- 30 points The auditor’s demonstrated understanding of the City of Columbia’s requirements and plan for meeting them.
- 40 points The prior experience and reputation of the auditor conducting performance (integrated) audits for municipalities or political subdivisions, with emphasis in auditing utility operations.

Failure of the Offeror to provide in his/her proposal any information requested in this RFP may result in disqualification of the proposal and shall be the responsibility of the proposing individual or firm.

During the evaluation process, discussions may be conducted with Offerors who submit proposals determined to be reasonably susceptible of being selected for award. It will be the recommendation of the evaluation committee if discussions for clarification are needed.

The objective of the evaluation committee will be to recommend the Offerors whose proposal is most responsive to the City of Columbia’s needs while within the available resources. The specifications within this RFP represent the minimum performance necessary for response.

The City of Columbia reserves the right to reject any or all proposals, to negotiate with any offeror considered qualified, or to make an award without further discussion.