

REQUEST FOR PROPOSALS

AUDIT SERVICES

Northeast Georgia Regional Commission

IS ISSUING THIS REQUEST FOR PROPOSALS (RFP) FOR FURNISHING THE SERVICES DESCRIBED HEREIN.

Inquiries for Technical and Procurement Information Should be Directed To:

Evans Brinson, Comptroller, 706 369 5650

Please indicate your intent to submit a proposal by completing a Notification of Interest in accordance with the sample format shown in Attachment D of this Request for Proposals. Return this Notification of Interest to the address listed below by ***December 17, 2014***.

Northeast Georgia Regional Commission

305 Research Drive

Athens, GA 30605

Completed proposals must be received at the address shown above by ***January 12, 2015***.

Proposals must be received by the date specified. Late proposals will be disqualified. In order to be considered for selection, auditors must submit a complete response to the RFP. Incomplete proposals may not be considered if the omissions are determined to be significant. Proposals must be submitted in three parts: (A) One (1) complete signed original of the Request for Proposals; (B) ***five (5) copies*** of the Technical Proposal; and (C) one (1) original of the Cost Proposal. The Cost Proposal must be submitted in a sealed envelope which specifies on its face the name of the auditing firm and the government entity to be audited. The government entity reserves the right to reject any and all proposals submitted and to request additional information

from all proposers. Any contract awarded will be awarded to the auditor, who, based upon evaluation of all proposals, is determined to have submitted the best proposal, considering both technical factors and cost.

In compliance with this request for proposals and to all the conditions imposed herein, the undersigned offers and agrees to furnish the services in accordance with the attached signed proposal.

Name and Address of Firm:

Date: _____

By: _____

Please Print Name

Signature in Ink

FEIN: _____

Telephone (_____) _____

Title: _____

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I. **GENERAL INFORMATION**

A. PURPOSE

The purpose of this Request for Proposals is to establish a contract for the professional services of a Certified Public Accountant (the "auditor") for financial and compliance audits. *The contract will be for three consecutive fiscal years beginning with the fiscal year ended June 30, 2015, and ending with the fiscal year ended June 30, 2017, subject to annual review and the annual availability of an appropriation for audit services by the government entity.*

B. **ANTICIPATED SCHEDULE OF EVENTS**

The timetable for this RFP is presented below:

<u>Activity</u>	<u>Target Date</u>
<i>Issue Request for Proposal</i>	<i>December 8, 2014</i>
<i>Due Date For Notification of Interest</i>	<i>December 17, 2014</i>
<i>Proposals due by 4:00 EST</i>	<i>January 12, 2015</i>
<i>Selection Recommendation(s)</i>	<i>January 15, 2015</i>
<i>Approval and Award</i>	<i>January 21, 2015</i>

II. **GOVERNMENT ENTITY AND RECORDS INFORMATION**

Information regarding government entity records, systems, procedures, expenditure levels, and other relevant data is included as Attachment A to this Request for Proposal. If a proposer's conference is scheduled to answer questions of potential contractors, the date and location are specified in Section I, Part B of this RFP. *Copies of prior audit reports, internal control survey documents, management letters, financial statements, budgets and other documents relevant to the audit engagement may be viewed by appointment by contacting the technical information coordinator listed on the cover page of this RFP.*

III. STATEMENT OF NEEDS

A. AUDIT REQUIREMENTS

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 (If Applicable) in accordance with the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States and (If Applicable) the Official Code of Georgia Annotated. (If Applicable) 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.*

The audit shall be designed to accomplish the following objectives: (Select all that apply.)

(Applies to All Audits)

1. To determine whether the financial statements present fairly the respective

financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information and the respective changes in financial position and cash flows, where applicable, thereof [and the respective budgetary comparison for the (indicate the major governmental funds involved)] in conformity with accounting principles generally accepted in the United States of America. In addition, to determine whether the combining and individual nonmajor fund financial statements are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

(Note 1: ASLG, par. 14.04 allows under certain circumstances the combining of the two aggregate opinion units – the one for the aggregate discretely presented component units and the one for the aggregate remaining fund information – as a single opinion unit. If this is desired, reference to these terms should not be used. Instead, the term “aggregate discretely presented component unit and remaining fund information” should be used.)

(Note 2: If the government desires an opinion on the basic financial statements and on the combining and individual fund financial statements presented as supplementary information, the last sentence above should be replaced with the following (modified as appropriate):

In addition, to determine whether the financial statements presented as supplementary information present fairly the financial position of each of the government’s nonmajor governmental, nonmajor enterprise, internal service, and fiduciary funds and the respective changes in financial position and cash flows, where applicable, thereof in conformity with accounting principles generally accepted in the United States of America.)

- 2. To obtain an understanding of internal control over financial reporting sufficient to plan the audit by performing procedures to understand both the design of controls relevant to an audit of financial statements and whether they have been placed in operation, and assess control risk, in accordance with the American*

Institute of Certified Public Accountants Statement on Auditing Standards (SAS) Number 55, Consideration of Internal Control in a Financial Statement Audit, as amended by SAS Number 78, Consideration of Internal Control in a Financial Statement Audit: An Amendment to SAS No. 55; and SAS No. 94, The Effect of Information Technology on the Auditor's Consideration of Internal Control in a Financial Statement Audit..

3. *To provide reasonable assurance that the financial statements are free of material misstatements resulting from violations of laws and regulations that have a direct and material effect on the determination of financial statement amounts in accordance with SAS Number 54, Illegal Acts by Clients, as described in SAS Number 74, Compliance Auditing Considerations in Audits of Governmental Entities and Recipients of Governmental Financial Assistance, and to provide reasonable assurance about whether the financial statements are free of material misstatements (whether caused by error or fraud), as described in SAS Number 99, Consideration of Fraud in a Financial Statement Audit, and SAS Number 47, Audit Risk and Materiality in Conducting an Audit (as amended by SAS Nos. 82, 96, and 98). The Codification of Statements on Auditing Standards, Section AU 317 requires the auditor to consider laws and regulations that are generally recognized by auditors to have a direct and material effect on the determination of financial statement amounts. The auditor's responsibility to detect and report misstatements resulting from illegal acts having a direct and material effect on the determination of financial statement amounts is the same as that for misstatements caused by error or fraud. In addition, the auditor should be aware of the possibility that illegal acts that may, in particular circumstances, be regarded as having material but indirect effects on financial statements may have occurred. If specific information comes to the auditor's attention that provides evidence concerning the existence of possible illegal acts that could have a material indirect effect on the financial statements, the auditor should apply audit procedures specifically directed to ascertaining whether an*

illegal act has occurred.

(Additional Requirement for Audit in Accordance with Government Audit Standards)

- 4. To provide reasonable assurance of detecting material misstatements resulting from violations of provisions of contracts or grant agreements that have a direct and material effect on the determination of financial statement amounts or other financial data significant to the audit objectives. If specific information comes to the auditor's attention that provides evidence concerning the existence of possible violations of provisions of contracts or grant agreements that could have a material indirect effect on the determination of financial statement amounts or other financial data significant to the audit objectives, auditors should apply audit procedures specifically directed to ascertain whether violations of provisions of contracts or grant agreements have occurred or are likely to have occurred. In addition, auditors should be alert to situations or transactions that could be indicative of abuse, and if indications of abuse exist that could significantly affect the financial statement amounts or other financial data, auditors should apply audit procedures specifically directed to ascertain whether abuse has occurred and the effect on the financial statement amounts or other financial data.*
- 5. To consider the results of previous audits and attestation engagements and follow up on known significant findings and recommendations that directly relate to the objectives of the audit being undertaken.*
- 6. To ensure that audit documentation related to planning, conducting, and reporting on the audit should contain sufficient information to enable an experienced auditor who has had no previous connection with the audit to ascertain from the audit documentation the evidence that supports the auditors' significant judgments and conclusions. Audit documentation should contain support for findings, conclusions, and recommendations before auditors issue*

their report.

(Additional Requirements for Audit in Accordance with the Single Audit Act and OMB Circular A-133. Note that the audit threshold specified in OMB Circular A-133, Subpart B, has been increased to \$500,000 for fiscal years ending after December 31, 2003.)

- 7. To determine whether the government entity complied with laws, regulations, and the provisions of contracts or grant agreements pertaining to federal awards that have a direct and material effect on each major program. With regard to internal control over compliance, the auditor is required to do the following (in addition to meeting the requirements of Government Auditing Standards): (1) perform procedures to obtain an understanding of internal control over federal programs that is sufficient to plan the audit to support a low assessed level of control risk for major programs, (2) plan the testing of internal control over major programs to support a low assessed level of control risk for the assertions relevant to the compliance requirements for each major program, and (3) perform tests of internal control (unless the internal control is likely to be ineffective in preventing or detecting noncompliance).*

(Additional Requirements for Audits Conducted in Accordance with the Official Code of Georgia Annotated)

(Regional Commissions should add the following, if applicable)

- 8. To verify and test the Schedule of Nonpublic Funds, including the beginning balance of unexpended nonpublic funds, receipts and expenditures of nonpublic funds, and the ending balance of nonpublic funds for each fiscal year, sufficient to express an opinion in accordance with generally accepted government auditing standards as required by the Official Code of Georgia Annotated, Section 50-8-35.*

(Local Governments should add the following, if applicable)

9. *To verify and test expenditures of the government's proceeds from the Governor's emergency fund or a special project appropriation in accordance with the Official Code of Georgia Annotated, Section 36-81-8.1. A properly completed grant certification form shall be filed on each grant with the annual audit report for each year in which such grant funds are expended or remain unexpended. If required under this Code section, the auditor shall certify that the grant funds were used solely for the express purpose or purposes for which the grant was made. The Georgia Department of Audits and Accounts can assist with the identification of grants subject to these reporting requirements and has a Grant Certification package available containing instructions and example formats.*

(State Authorities, Boards, Bureaus, Commissions, Committees, Departments, Institutions, Offices, Retirement Systems and all other Agencies of the State of Georgia required to submit personal services, travel, and/or per diem and fee reports to the State Auditor should add the following)

10. To verify that personal service, travel, and per diem and fees reports submitted to the State Auditor agree to the financial records maintained by the government entity and, if necessary, to prepare a reconciliation of the reports to the financial records.

B. REPORTING AND DELIVERY REQUIREMENTS

The auditor will prepare the required audit reports *(If Applicable) including those required by Government Auditing Standards and (If Applicable) Office of Management and Budget Circular A-133 and (If Applicable) the Official Code of Georgia Annotated at the completion of the audit.*

(Select for Audit in Accordance with Generally Accepted Auditing Standards)

1. a. Standard report on the financial statements.

(Add the following for Audit in Accordance with Government Auditing Standards)

Reference should be made that the audit was conducted in accordance with generally accepted government auditing standards. Auditors should include in their report on the financial statements either a (1) description of the scope of the auditors' testing of internal control over financial reporting and compliance with laws, regulations, and provisions of contracts or grant agreements and the results of those tests or (2) reference to the separate report(s) containing that information. If auditors report separately, the opinion or disclaimer should contain a reference to the separate report containing this information and state that the separate report is an integral part of the audit and should be considered in assessing the results of the audit.

(Local Governments should add the following, if applicable.)

The auditor's report on the financial statements should include an opinion, or disclaimer of opinion, as to whether the Schedule of Projects Constructed With Special Purpose Local Option Sales Tax Proceeds is presented fairly in

all material respects in relation to the financial statements taken as a whole. (Note that if the Schedule is issued separately from the audited financial statements, the language above should be modified to refer to the auditor's report on SPLOST prepared in accordance with the American Institute of Certified Public Accountants' Codification of Statements on Auditing Standards, Section AU 623.25.)

- b. Report on Internal Controls. (Add the following for Audit in Accordance with Generally Accepted Auditing Standards Only). A report on reportable conditions is required and may be written or oral in accordance with the American Institute of Certified Public Accountants' Codification of Statements on Auditing Standards, Section AU 325.*

(Add the following for Audit in Accordance with Government Auditing Standards)

Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards. The report should describe the scope of the auditor's testing of compliance with laws and regulations and present the results of those tests. The report should also describe the scope of the auditor's testing of internal control and present the results of those tests. Also separate identification and written communication of all reportable conditions, including those reportable conditions that are individually or cumulatively material weaknesses, is required. As stated in paragraph 5.12 of Government Auditing Standards, "auditors should report, as applicable to the objectives of the audit (1) deficiencies in internal control considered to be reportable conditions as defined in AICPA standards, (2) all instances of fraud and illegal acts unless clearly inconsequential, and (3) significant violations of provisions of contracts or grant agreements and abuse".

(Add the following for Single Audit, be sure to also add Government Auditing Standards reference above.)

- c. Report on Compliance With Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance With OMB Circular A-133. The auditor is required to express an opinion on whether the government entity complied with laws, regulations, and with the provisions of contracts or grant agreements which could have a direct and material effect on each major program and, where applicable, refer to a separate schedule of findings and questioned costs. The report on internal control over major programs should describe the scope of testing internal control and the results of the tests, and, where applicable, refer to a separate schedule of findings and questioned costs.*

(Add the following for Single Audit)

- d. In accordance with OMB Circular A-133, the auditor's report(s) may be in the form of either combined or separate reports. The auditor's report(s) shall include an opinion as to whether the financial statements are presented fairly in all material respects in conformity with generally accepted accounting principles and an opinion as to whether the schedule of expenditures of federal awards is presented fairly in all material respects in relation to the financial statements taken as a whole. Auditors should follow the guidance contained in the American Institute of Certified Public Accountants' Audit Guide: Audits of States, Local Governments, and Not-for-Profit Organizations Receiving Federal Awards (Chapter 10 contains guidance on auditor reporting requirements and other communication considerations).*

(Add the following for Single Audit)

- e. In accordance with OMB Circular A-133, a schedule of findings and questioned costs is required and should include the following three components: (1) a summary of the auditor's results; (2) findings related to the*

financial statements which are required to be reported in accordance with generally accepted government auditing standards; and (3) findings and questioned costs for federal awards.

(Regional Commissions should add the following, if applicable)

f. Report on the Schedule of Nonpublic Funds, in accordance with the Official Code of Georgia Annotated, Section 50-8-35.

(Local Governments should add the following, if applicable)

g. Report on Grants to Counties program, as defined in the Official Code of Georgia Annotated, Sections 48-14-3 and 36-17-1.

Report on Grants to Municipalities program, as defined in the Official Code of Georgia Annotated, Sections 36-40-40 and 36-40-20.

2. ***Ten (10) copies*** of the above reports are required.

3. 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 government entity's director at the conclusion of each audit. This letter shall address all exceptions in accounting practices, immaterial instances of noncompliance with laws and regulations, and deficiencies in the internal control that are not reportable conditions as defined in American Institute of Certified Public Accountants Codification of Statements on Auditing Standards, Section AU 325. Such immaterial instances of noncompliance and deficiencies in internal control that are not reportable conditions should be referred to in the report on compliance and on internal control over financial reporting (see Government Auditing Standards, paragraphs 5.16 and 5.20). ***It is important to note that all audit findings required to be reported under OMB Circular A-133 must be included in the schedule of findings and questioned costs; a separate letter may***

not be used to communicate such matters to top management in lieu of reporting them as audit findings in accordance with OMB Circular A-133. The auditor must offer recommendations for appropriate corrective action for each item contained in the management letter.

4. Any other reports required shall be submitted to the government entity upon request.
5. A preliminary draft of all reports shall be submitted to the government entity prior to their release. The government entity will review and approve the release of all draft reports.
6. The auditor shall send copies of the reports listed above directly to ***James R. Dove, Executive Director, Northeast Georgia Regional Commission, 305 Research Drive, Athens, GA 30605.***

IV. **PROPOSAL PREPARATION AND SUBMISSION REQUIREMENTS**

A. GENERAL PROPOSAL PREPARATION REQUIREMENTS

1. Proposal Preparation
 - a. Proposals shall be signed by an authorized representative of the auditor. All information requested must be submitted. The mandatory requirements listed in Part IV, Section B, Paragraph 1b are required by law, regulation or will not be waived and are not subject to negotiation.
 - b. Proposals shall be prepared simply and economically, providing a straightforward, concise description of capabilities to satisfy the requirements of the RFP. Emphasis should be placed on completeness and clarity of content.

- c. Each copy of the technical proposal shall be bound in a single volume and relate solely to the response to the RFP. Nothing shall be included in the technical proposal which would indicate, in whole or in part, the cost component of the proposal or would be otherwise indicative of the dollar amount associated with the technical proposal. All cost component documentation should be included in a separate sealed envelope clearly labeled as to contents. Proposals should be organized in accordance with Attachment C: Model Format of Proposal.
 - d. Ownership of all data, materials and documentation prepared for and submitted to the government entity in response to the RFP shall belong exclusively to the government entity and will be considered a record prepared and maintained or received in the course of operations of a public office or agency and subject to public inspection in accordance with the Georgia Open Records Act, Official Code of Georgia Annotated, Section 50-18-70, et. seq., unless otherwise provided by law.
- 2. Oral presentation: Auditors who submit a proposal in response to the RFP may be required to give an oral presentation of their proposal to the government entity representatives. This provides an opportunity for the auditor to clarify or elaborate on the proposal. This is a fact finding and explanation session only and does not contemplate or authorize negotiation. Oral presentation is an option of the government entity in its sole discretion at the government entity's request.
 - 3. Costs incurred to prepare a proposal are solely those of the proposer. Nothing contained within this RFP is indicative of an intent by the government entity to reimburse the proposer, in whole or in part, for any costs associated with preparation, submission, or presentation of proposals.

B. SPECIFIC PROPOSAL PREPARATION REQUIREMENTS

Proposals shall be as thorough and detailed as possible so that the government entity may properly evaluate the auditor's capabilities to provide the required services. Proposals should be organized in accordance with Attachment C: Model Format of Proposal. Offerors shall submit the following items as a complete proposal:

1. TECHNICAL COMPONENT OF PROPOSAL

- a. The return of this completed RFP, signed and filled out as required.

- b. The completed Mandatory Pre-Qualification Form, Attachment B. The purpose of the Mandatory Pre-Qualification Form is to determine if the auditor meets the following mandatory criteria:
 1. The proposer is properly licensed for public practice as a certified public accountant.
 2. The proposer meets the independence requirements of the Government Auditing Standards issued by the Comptroller General of the United States.
 3. The auditor's staff working on or associated with the engagement must meet the continuing education requirements of the Government Auditing Standards.
 4. The auditor does not have a record of substandard audit work.
 5. The proposer agrees to abide by the terms and conditions established in Section VI, General Terms and Conditions and Section VII, Special Terms and Conditions.

Failure to meet the mandatory criteria 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.

- c. Detailed written narrative statements on each of the following:

1. A description of the auditor's firm rendering the proposal, including whether the firm is international, national, regional, or local, the number of years in business, and the number of employees in the local office.
2. Experience in providing the services described herein, including relevant knowledge of and experience in applying applicable federal and state regulations.
3. Biographies, including experience of the individuals who will be assigned to the engagement, relevant experience of each in performing financial and compliance audits of entities similar to the government entity and recent (past 24 months) continuing professional education of each individual assigned to the engagement.
4. A work plan to accomplish the scope defined in Section III of the RFP, including information on the timing of field work, and any overview and start up work that would be required in the first audit year. Include the approximate date the audit will begin and end for the first year, as well as approximate dates for delivery of the required reports. The work plan must include time estimates for and identification of each significant segment of the work and the staff level to be assigned. The work plan must also include an explanation of the audit methodology to be followed to perform the services required in this request for proposals. The planned use of specialists must also be specified. In developing the work plan, reference should be made to such sources as the government entity's budget and related materials, organizational charts, programs, and financial and other management information systems. Proposers will be required to provide the following information on their audit approach:
 - a. Sampling techniques and the extent to which statistical sampling

- may be used in the engagement;
 - b. Extent of the use of EDP software in the engagement;
 - c. Type and extent of analytical procedures that may be used in the engagement;
 - d. Approach to be taken to gain and document an understanding of the government entity's internal control;
 - e. Approach to be taken in determining laws and regulations that will be subject to audit test work; and
 - f. Approach to be taken in drawing audit samples for purposes of tests of compliance.
5. The proposal should identify and describe anticipated audit problems (if any), the firm's approach to resolving these problems and any special assistance that will be requested from the government entity.
6. For the firm's office that would be assigned responsibility for the audit, list the most significant audit engagements (maximum of five) performed in the last three (3) years that are similar to the engagement described in this request for proposals. These engagements should be ranked on the basis of total staff hours. Indicate the scope of work, date, engagement partner(s), total hours, and the name and telephone number of the client contact.
- b. There should be no dollar units or total costs included in the technical component of the proposal.

2. COST COMPONENT OF PROPOSAL

For use following the technical phase of the procurement, the following information must be included in a **separate sealed** envelope marked "For Cost Phase Only" as

specified in this RFP, Section VII, Part H:

- Total hours required to complete the engagement for each year by personnel levels, i.e. total hours for partner, manager, supervisor, senior and junior.
- Total fees for audit services for each year.
- An amount of professional services, in hours, allowed each year without additional cost to the government entity. Such services will not be directly related to the annual audit.

A separate cost proposal is required for each year of the contract period specified in Section VII, Part E of this Request for Proposals.

Out-of-pocket expenses for firm personnel (e.g. travel, lodging and subsistence) will be reimbursed at the rates used by the government entity for its employees. All estimated out-of-pocket expenses to be reimbursed should be presented in the sealed dollar cost bid in the format recommended in Attachment C. All expense reimbursements will be charged against the total all-inclusive maximum price submitted by the firm. By submitting a proposal, the proposer certifies that the firm will accept reimbursement for travel, lodging and subsistence at the prevailing rates for employees of the government entity.

V. **EVALUATION AND AWARD CRITERIA**

The following factors will be considered during the evaluation:

A. TECHNICAL FACTORS

1. Responsiveness of the proposal in clearly stating an understanding of the work to be performed, including making all required statements and affirmations. Proposals

should be organized in accordance with Attachment C: Model Format of Proposal.

The following elements will be considered:

Appropriateness and adequacy of proposed procedures.

Necessity of procedures.

Reasonableness of time estimates.

Appropriateness of assigned staff levels.

Timeliness of projected completion.

2. Technical experience of the firm.
3. Qualifications of staff, including recent pertinent continuing education.
4. Size and structure of the firm.
5. Prior experience with the firm with emphasis on report and work paper quality and track record of meeting agreed upon delivery dates.

B. COST FACTORS

Although cost is a significant factor, it will not be the dominant factor. Cost will be given more importance when all the other evaluation criteria are relatively equal. The general approach is to first identify all qualified, responsive proposers and then to award the audit to the lowest cost proposer in that group.

If there is reason to believe that an unreasonably low proposal has been made, it will be rejected. One method of measuring reasonableness is to divide the proposed cost by a reasonable average hourly rate to show hours of effort that might be expected.

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.

VI. **GENERAL TERMS AND CONDITIONS**

A form of Agreement for Audit Services to be executed between the auditor and the government entity is included herein as Attachment E. Sections VI and VII contain general and special terms and conditions which will be incorporated into the Agreement by reference.

A. APPLICABLE LAW AND COURTS

This solicitation and any resulting contract shall be governed in all respects by the laws of the State of Georgia. The auditor shall comply with applicable federal, state, and local laws and regulations.

B. ETHICS IN PUBLIC CONTRACTING

By submitting their proposals, all auditors certify that their proposals are made without collusion or fraud and that they have not offered or received any kickbacks or inducements from any other auditor, supplier, manufacturer or subcontractor in connection with their proposals, and that they have not conferred on any government entity employee having official responsibility for this procurement transaction any payment, loan, subscription, advance, deposit of money, services or anything of more than nominal value, present or promised, unless consideration of substantially equal or greater value was exchanged. Auditors specifically certify by submitting their proposal that they are not in violation of the Official Code of Georgia Annotated, Sections 16-10-2 and 16-10-22, for acts of bribery and/or conspiracy in restraint of free and open competition in transactions with state or political subdivisions. ***Auditors contracting with the State of Georgia (as defined in the Official Code of Georgia Annotated, Section 45-10-20)) further certify that Official Code of Georgia Annotated, Title 45, Chapter 10, Article 2, which prohibits certain public officials and employees of the State of Georgia from transacting business with certain state agencies, has not been and will not be violated in any respect by execution of this proposal and any contract resulting therefrom.***

C. DEBARMENT STATUS

By submitting their proposals, all auditors certify that they are not currently debarred from submitting bids or proposals on contracts by any agency of the State of Georgia and the federal government, nor are they an agent of any person or entity that is currently debarred from submitting bids on contracts by any agency of the State of

Georgia or the federal government.

D. MANDATORY USE OF TERMS AND CONDITIONS

Return of the complete document is required. Modification of or additions to the General Terms and Conditions of the solicitation may be cause for rejection of the proposal; however, the government entity reserves the right to decide, on a case by case basis, in its sole discretion, whether or not to reject such a proposal.

E. CLARIFICATION OF TERMS

If any prospective auditor has questions about the specifications or other solicitation documents, the prospective proposer should contact the procurement information coordinator whose name appears on the face of the solicitation ***no later than five working days before the due date***. Any revisions to the solicitation will be made only by addendum issued by the government entity.

F. INVOICES

All interim and final invoices for services ordered, delivered and accepted shall be submitted by the auditor to: ***Northeast Georgia Regional Commission, 305 Research Drive, Athens, GA 30605*** for approval prior to payment by the government entity.

G. PAYMENT TERMS

The government entity will make payment ***within 30 days of*** receipt of a proper invoice for interim and final billings, provided that the billing has been approved by the government entity.

H. ASSIGNMENT OF CONTRACT

A contract shall not be assignable by the auditor in whole or in part without the written consent of the government entity.

I. CHANGES TO THE CONTRACT

The government entity may order changes within the general scope of the contract at any time by written notice to the auditor. Changes within the scope of the contract include, but are not limited to, things such as the place of delivery. The auditor shall comply with the notice upon receipt. The auditor shall be compensated for any additional costs incurred as the result of such order and shall give the government entity a credit for any savings. Said compensation shall be determined by mutual agreement between the government entity and the auditor in writing.

J. DEFAULT

In case of failure to deliver goods or services in accordance with the contract terms and conditions, the government entity, after due notice, may procure them from other sources and hold the auditor responsible for any resulting additional purchase and administrative costs. This remedy shall be in addition to any other remedies which the government entity may have.

K. PRECEDENCE OF TERMS

Paragraphs A through J of these General Terms and Conditions shall apply in all instances. In the event there is a conflict between any of the other General Terms and Conditions and any Special Terms and Conditions in this solicitation, the Special Terms and Conditions shall apply.

VII. **SPECIAL TERMS AND CONDITIONS**

A. QUALIFICATIONS OF AUDITORS

The government entity may make such reasonable investigations as deemed proper and necessary to determine the ability of the auditor to perform the work and the auditor shall furnish to the government entity all such information and data for this purpose as

may be requested. The government entity further reserves the right to reject any bid if the evidence submitted by, or investigations of, such auditor fails to satisfy the government entity that such auditor is properly qualified to carry out the obligations of the contract and to complete the work/furnish the item(s) contemplated therein.

B. CANCELLATION OF CONTRACT

The government entity reserves the right to cancel and terminate any resulting contract, in part or in whole, without penalty, *upon 60 days written notice to the auditor*. Any contract cancellation notice shall not relieve the auditor of the obligation to deliver and/or perform on all outstanding orders issued prior to the effective date of cancellation. In the event of termination by mutual agreement, the auditor shall be compensated for all hours worked at the specified contractual rate.

If, through any cause other than acts of god, floods, fires, storms, strikes, lockouts, riot, insurrection, acts of the public enemy, war, or other like restrictions beyond the control of the parties rendering performance under the contract impossible, the auditor fails to fulfill in a timely and proper manner obligations under the contract, the government entity shall have the right to terminate the contract on written notice to the auditor specifying the effective date of termination.

The auditor shall not be relieved of liability to the governmental entity for damages sustained by virtue of any breach of the contract by the auditor. The government entity may withhold or require to be withheld any payment to the auditor for the purpose of setoff until such time as the exact amount of damages is agreed upon or is otherwise determined.

In the event of termination for whatever reason all property and finished or unfinished documents, data, studies, and reports prepared by the auditor shall become the property of the government entity. Nothing contained herein shall prevent the auditor from preparing and maintaining a complete set of workpapers relating to the audit.

C. AUDIT

The auditor hereby agrees to retain all books, records, working papers, and other documents relative to this contract for ***three (3) years*** after final payment. The government entity, its authorized agents, and federal and state regulatory and grantor agencies, including the Georgia Department of Audits and Accounts, shall have full access to and the right to examine any of said materials during said period at no cost to either the government entity or any other entity authorized to examine said materials.

D. REVIEW AND MONITORING

The government entity reserves the right to conduct any review it may deem advisable to assure services conform to the specifications. An employee of the government entity will be designated as audit monitor to discuss issues that need to be resolved and may require periodic progress reports. The monitor will review the financial statements and may provide limited assistance to the auditor by way of comments and suggestions for enhancements to the report prior to its preparation in final form. The monitor will also be available for technical assistance concerning the interpretation of state laws, regulations and policies.

E. CONTRACT PERIOD

The contract period shall be for a period of ***three years beginning with the fiscal year ended June 30, 2015 through the fiscal year ended June 30, 2017 subject to annual review and the annual availability of an appropriation for audit services by the government entity.***

F. CONTRACT LIMITATIONS

During the contract period, the auditor agrees not to submit proposals on or perform any accounting, consulting, compilation and review, or any other services outside the scope of this contract for the government entity without the prior written approval of the government entity.

G. ADDITIONAL AUDIT WORK

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. The parties shall then determine whether the contract shall be amended to provide for an adjustment in the audit work to be performed by the auditor.

In no event shall any payment be made for audit work beyond the scope of the original contract until the contract has been amended as provided in Section VII, Item M, Integrated Agreement.

H. IDENTIFICATION OF PROPOSAL ENVELOPE

If a special envelope is not furnished, or if return in the special envelope is not possible, the signed proposal shall be returned in a separate envelope or package, sealed and identified as follows:

From:	_____	_____	_____
	Name of Auditor	Due Date	Time
	_____	_____	
	Street, or Box Number	RFP Number	
	_____	_____	
	City, State, Zip Code	RFP Title	

Name of Buyer: *Northeast Georgia Regional Commission.*

The envelope shall be addressed as directed on the cover page of this solicitation. Contained within the envelope will be (1) a completed, signed copy of this Request for Proposals, (2) all information necessary for the technical proposal, and (3) a separate sealed envelope containing the cost information, specifically labeled "For Cost Phase Only".

Proposals may be hand delivered to the designated location in the office issuing the solicitation. No other correspondence or other proposals should be placed in the envelope.

I. INDEMNIFICATION

The auditor agrees to indemnify, defend and hold harmless the government entity, its officers, agents, and employees from any claims, damages and actions of any kind or nature, whether at law or in equity, arising from or caused by the use of any materials, goods, or equipment of any kind or nature furnished by the auditor/any services of any kind or nature furnished by the auditor, provided that such liability is not attributable to the sole negligence of any government entity employee or to failure of government entity employees to use the materials, goods, or equipment in the manner described by the auditor on the materials, goods, or equipment delivered.

J. SUBCONTRACTS

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

K. PROPRIETARY INFORMATION

The government entity will not accept responses to Requests for Proposals in cases where the auditor declares the entire response to the RFP to be proprietary information. The auditor must designate in the smallest increments possible, that part of the proposal

which is deemed to be proprietary.

L. OFFICE HOURS/LOCATION/PARKING

Office space and a telephone will be provided for the representative of the auditor to perform all field work. The location of this space will be as close as possible to the location of the accounting records and accounting staff. To the extent possible, schedules and other data will be prepared by the government entity's accounting department. It is the government entity's policy to aid in the audit process where deemed feasible and appropriate to help reduce costs. The audit monitor designated by the government entity will be responsible for notifying the contractor of the location of the accounting and financial records, government entity office hours, and the availability of parking at the government entity location.

M. INTEGRATED AGREEMENT

Any resulting contract represents the entire and integrated agreement between the auditor and government entity 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 government entity.

N. WORKERS' COMPENSATION

The auditor shall be required at all times during the term of this agreement to subscribe and comply with the Workers' Compensation laws of the State of Georgia and to save harmless the government entity from any and all liability from or under said act.

O. SOCIAL SECURITY/EMPLOYMENT TAXES

The auditor shall be and remain an independent contractor with respect to all services performed hereunder and shall accept full exclusive liability for the payments of any and all contributions or taxes for Social Security, Unemployment Benefits, pensions, and annuities now or hereafter imposed under any State or Federal laws which are

measured by the wages, salaries, or other remuneration paid to persons employed by the auditor on work performed under the terms of this agreement.

The auditor further shall obey or satisfy all lawful rules, regulations, and requirements issued or promulgated under said respective laws by any duly authorized State or Federal officials. The auditor shall indemnify and save harmless the government entity from any contributions, taxes, or liability referred to in this article.

P. HIGHER LEVEL AUDIT SERVICES

If the auditor becomes aware that the government entity 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 government entity's audit monitor, that in accordance with the established contract certain relevant legal, regulatory, or contractual requirements may not be met.

Q. CHANGES IN AUDITING STANDARDS/FEDERAL REQUIREMENTS

As professional auditing standards or Federal auditing 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 VII, Item G, Additional Audit Work and Section VII, Item M, Integrated Agreement.

R. RATES FOR ADDITIONAL PROFESSIONAL SERVICES

If it should become necessary for the government entity to request the auditor to render any additional services to either supplement the services requested in this request for proposals 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 government

entity and the firm. Any such additional work agreed to between the government entity and the firm shall be performed at the same rates as set forth in the schedule of fees and expenses included in the sealed dollar cost bid.

(Add the following if government entity is a state agency as defined by Official Code of Georgia, Section 45-10-20 and/or 50-24-2)

S. COMPLIANCE WITH STATE VENDOR MANUAL

By submitting their proposals, all auditors certify that they are in compliance with applicable provisions of the State of Georgia Vendor Manual prepared by the Department of Administrative Services, Purchasing and Surplus Property Division, including Article IX, Ethics and Unlawful Actions.

T. DRUG FREE WORKPLACE

Auditors contracting with the State of Georgia (or entities thereof as defined in the Act) further certify that they will comply with the Drug-Free Workplace Act, Official Code of Georgia Annotated, Section 50-24-1 et. seq. in carrying out any contract resulting from this proposal.

ATTACHMENT A: GOVERNMENT ENTITY AND RECORDS INFORMATION

The Northeast Georgia Regional Commission (NEGRC) was established in 1961 to assist local governments in planning for common needs, cooperating for mutual benefit, and coordinating sound area-wide development. County members include Barrow, Athens-Clarke, Elbert, Greene, Jackson, Jasper, Madison, Morgan, Newton, Oconee, Oglethorpe and Walton.

NEGRC's budget for fiscal year ending June 30, 2015 totals \$12,800,000.

NEGRC's accounts are kept with a single general ledger. For financial reporting purposes, NEGRC presents a special revenue fund, a general fund and an internal service fund. The special revenue fund includes the following programs:

<i>Area Agency on Aging and Coordinated Transportation</i>	<i>\$7,100,000</i>
<i>Planning & Government Services</i>	<i>\$ 666,900</i>
<i>Workforce Investment</i>	<i>\$4,500,000</i>

Budget records are maintained but are not recorded in the accounting records.

Financial activity for NEGRC includes issuing an average of 600 checks each month increasing to approximately 1,200 checks in June and July when our WIA Summer Youth Employment program is active. NEGRC operates with a single checking account with one investment account. The accounting software used by NEGRC is the Grants Management Accounting software. NEGRC employs 38 people.

The prior year's audit, management letter, financial statements and budget are available. The accounting firm of McLemore, McNair and Middlebrooks performed the most recent audit and an unmodified opinion was rendered.

The sub-recipient entities for NEGRC are listed below.

Area Agency on Aging and Coordinated Transportation

Athens Community Council on Aging

Barrow County Senior Citizens Center

Community Connection

Elbert County Senior Citizens Center

Greene County Senior Citizens Center

Jackson County Senior Citizens Center

Jackson County Transit

Madison County Senior Citizens Center

Morgan County Senior Citizens Center

Newton County Senior Citizens Center

Oconee County Senior Citizens Center

Oglethorpe County Senior Citizens Center

On My Watch, Inc.

Thorne Transportation, Inc.

WIA

Action, Inc.

Athens Technical College

Paxen, LLC

The NEGRC accounting staff normally prepares the following schedules for auditors prior to the beginning of the audit:

Trial Balance

State of Revenues and Expenditures for special revenue fund, general fund and internal service fund.

Statement of revenues and expenditures for each grant.

Schedule beginning with prior year receivable/deferred revenue and current year activity.

Schedule reconciling individual accounts receivable and payable to the amount in the trail balance.

Schedule reflecting NEGRC matching funds applied to grants.

Schedule showing the investment activity for the current year.

Schedule of fixed assets activity.

Bank account will be reconciled.

Schedule of employee fringe benefits and indirect costs.

The audit for NEGRC will be done at the NEGRC headquarters located at 305 Research Drive, Athens, GA 30605.

The Federal cognizant or oversight agency is the U. S. Department of Commerce.

It is the intent of NEGRC to select an auditor on or before January 21, 2015. The selected auditor can at anytime after that date begin preliminary work. NEGRC prefers to have audit results and financial statements available the 3rd Thursday in September for the NEGRC Council meeting.

The accounting staff of NEGRC usually has schedules ready for auditors by August 1st. Thus the post-closing work can begin on or around August 1st.

ATTACHMENT B: MANDATORY PRE-QUALIFICATION FORM

To be answered by Contractor

Section A - General Information

1. Firm Name: _____

Contact Person: _____ Telephone Number: _____

2. Address: _____

3. Firm FEI Number: _____

4. Firm's Georgia CPA State License Registration Number: _____

5. Type of Accounting Practice (place an "X" next to the appropriate response)

a. _____ Individual

b. _____ Partnership

c. _____ Corporation - Give name of the State where incorporated:

Section B - Contractor Firm's Quality Program For Audits

Please answer each of the following questions by placing an "X" in the proper column at the right.

CHECK ONE

YES NO

1. Quality Control: Does the Contractor Firm have internal procedures to ensure proper quality control for its governmental audit assignments?

(If yes, ATTACH A DESCRIPTION OF THE PROCESS) _____

2. Quality Review: Does Contractor Firm participate in an

CHECK ONE

YES NO

External Quality review program every 3 years? (If yes, ATTACH A COPY OF LAST PEER REVIEW OR QUALITY REVIEW REPORT AND LETTERS OF COMMENT. PLEASE ENTER ENDING DATE OF LAST PERIOD COVERED BY REVIEW _____)

If no, explain the reason and your plan to participate. _____

3. Professional Membership: Do the partners of the Contractor Firm belong to either the AICPA or the Georgia Society of CPAs? _____

4. Proper License: Is Contractor Firm properly licensed to practice public accounting in Georgia? _____

5. Special Governmental Audit Requirements: Is Contractor Firm familiar with the AICPA's ethical ruling called Interpretation 501-3, "Failure to Follow Standards and/or Procedures or other Requirements in Governmental Audits"? (According to this ruling, if a CPA agrees to follow specified standards, guides, rules and procedures in addition to GAAS, then the CPA is OBLIGATED to follow all such requirements. Also, the auditor must report any deviations from the agreed-upon engagement procedures.) _____

6. Subcontracts: Does Contractor Firm agree not to subcontract any work required without the prior express written consent of the auditee? _____

7. Federal Audit Laws and Rules: If federal audit work is

CHECK ONE

YES NO

required, does Contractor Firm agree to perform the audit work in accordance with the Single Audit Act Amendments of 1996, the provisions of OMB Circular A-133 and AICPA Statement of Position 98-3, as necessary?

8. Confidentiality: Does Contractor Firm agree not to publish or distribute any information concerning work done for auditee, except as provided by law or rule?

9. Access to Records and Workpapers: Does Contractor Firm agree to keep workpapers and reasonable records to support work claims for at least **3 years** and make them available for audit or review by any authorized parties?

10. Other Federal and State Laws and Rules: Does Contractor Firm agree to comply with all other Federal and State laws, rules and regulations which pertain to this engagement?

11. Independence: Does Contractor Firm meet the independence standards of the current "Government Auditing Standards", issued by the Comptroller General of the United States?
(If "No", attach a brief summary of facts.)

12. Continuing Education: Does Contractor Firm have sufficient staff who meet continuing professional education requirements for government audits as set forth in "Government Auditing Standards"?

13. Conflict of Interest: Does Contractor Firm declare that there is no public or private interest which would conflict in any

CHECK ONE

YES NO

manner with performance of an audit for the auditee or would violate any laws of the State of Georgia?

14. No Substandard Work: Do Contractor Firm and all proposed Audit Team Members have a record of an acceptable standard of audit work? (Contractor Firm must answer this question "No" if the Firm or any Audit Team Member has received an enforcement action for substandard audit work during the past three years or has a related investigation pending by a professional or regulatory group. Attach a brief summary of any enforcement actions.)

15. Ethics: Does Contractor Firm certify that its proposals are made without collusion or fraud and that it has not offered or received any kickbacks or inducements from any other auditor, supplier, manufacturer or subcontractor in connection with their proposals, and that it has not conferred on any government entity employee having official responsibility for this procurement transaction any payment, loan, subscription, advance, deposit of money, services or anything of more than nominal value, present or promised, unless consideration of substantially equal or greater value was exchanged; that it is not in violation of the Official Code of Georgia Annotated, Sections 16-10-2 and 16-10-22, for acts of bribery and/or conspiracy in restraint of free and open competition in transactions with state or political subdivisions?

16. Provisions of RFP: Does Contractor Firm agree to abide by all

CHECK ONE

YES NO

General Terms and Conditions and Special Terms and
Conditions specified in the RFP?

CONTRACTOR FIRM CERTIFICATION STATEMENT

I (we) certify that the information contained herein is true and correct to the best of my (our) knowledge, and that the person submitting the RFP on behalf of the proposer has the authority to submit this RFP and make all representations contained herein. I (we) understand that the inclusion of false information may result in rejection of the proposal submitted in response to this RFP.

Contractor Firm Name

Date

Signature of Preparer

ATTACHMENT C: MODEL FORMAT OF PROPOSAL

To simplify the review process and obtain the maximum degree of comparability, proposals should be organized in the manner specified by the RFP. The following outline includes all the information called for in the RFP.

COMPLETE COPY OF THE REQUEST FOR PROPOSALS

1. Provide a complete copy of the Request for Proposals, including all Attachments.
2. Sign the Request for Proposals in ALL places requiring signature.
3. Complete and sign the Mandatory Pre-Qualification Form.

TECHNICAL COMPONENT OF PROPOSAL

Title Page

Show the RFP subject, the name of the proposer's firm, local address, telephone number, name of the contact person, and the date.

Table of Contents

Include a clear identification of the material by section and by page number.

Letter of Transmittal

Limit to one or two pages.

1. Briefly state the proposer's understanding of the work to be done. Make a positive statement that deadlines specified in the RFP will be met.
2. State the names of the persons who will be authorized to make representations for the proposer, their titles, addresses, and telephone numbers.
3. State that the person signing the letter will be authorized to bind the proposer.
4. State the name of the partner assigned to this engagement and the name of the partner assigned the responsibility for the quality of the report and working papers.

Profile of the Proposer

1. State whether the firm is local, regional, national or international.
2. State the location of the office from which the work is to be done and the number of partners, managers, supervisors, seniors, and other professional staff employed at that office.
3. Describe the range of activities performed by the local office such as auditing, accounting, tax service, or management services.

Summary of the Proposer's Qualifications

1. State the identity of the partners and managers who will work on the audit, including staff from other than the local office. Resumes including relevant experience and continuing education for each supervisory person to be assigned to the audit should be included. (The resumes may be included as an appendix.)

Specify governmental CPE attended in the past 24 months by the partner(s) and each person to be assigned to this engagement.

2. Describe the recent local office auditing experience similar to the type of audit requested. Rank these audit engagements according to total staff hours. Indicate the scope of work, dates when work was performed, engagement partner(s), total hours, and the name and telephone number of the client contact. A maximum of 5 (five) of the most significant audit engagements performed in the last three (3) years similar to the engagement described in this request for proposals should be provided.

Proposer's Approach to the Audit

Submit a work plan to accomplish the scope defined in Section III of this RFP. The work plan must include time estimates for and identify each significant segment of the work and the staff level to be assigned. The planned use of specialists must also be specified. In developing the work plan, reference should be made to such sources as the government entity's budget and related materials, organizational charts, programs, and financial and other management

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

- a. Sampling techniques and the extent to which statistical sampling may be used in the engagement;
- b. Extent of the use of EDP software in the engagement;
- c. Type and extent of analytical procedures that may be used in the engagement;
- d. Approach to be taken to gain and document an understanding of the government entity's internal control;
- e. Approach to be taken in determining laws and regulations that will be subject to audit test work; and
- f. Approach to be taken in drawing audit samples for purposes of tests of compliance.

The proposal should identify and describe anticipated audit problems (if any), the firm's approach to resolving these problems and any special assistance that will be requested from the government entity.

Additional Data

Since the preceding sections are to contain only data that is specifically requested, any additional information considered essential to the proposal should be separately bound. The proposer's general information publications, such as directories or client lists, should not be included. If there is no additional information to present, include a statement as the last section of the technical component of the proposal that "there is no additional information we wish to present".

COST COMPONENT OF PROPOSAL

(To be included in a SEPARATE, SEALED envelope)

State the total hours and hourly rate required by staff classification and the resulting all-inclusive maximum fee, including out of pocket costs for which the requested work will be done. State the amount of professional services, in hours, allowed each year without additional cost to the auditee. A separate all-inclusive fee must be stated for each audit for each year.

The recommended format of the cost component is shown on the following page.

SCHEDULE OF PROFESSIONAL FEES AND EXPENSES
 FOR THE AUDIT OF THE _____ FINANCIAL STATEMENTS

Enter Year

(Complete one Schedule for each year covered by the proposal)

	HOURS	HOURLY RATES	TOTAL
PARTNERS	_____	_____	_____
MANAGERS	_____	_____	_____
SUPERVISORY STAFF	_____	_____	_____
OTHER (SPECIFY)	_____	_____	_____
TOTAL FOR SERVICES DESCRIBED IN RFP			_____
OUT OF POCKET EXPENSES (See Section IV.B.2 for allowability):			
MEALS AND LODGING			_____
TRANSPORTATION			_____
OTHER (SPECIFY)			_____
TOTAL ALL-INCLUSIVE PRICE FOR _____ AUDIT			_____
AMOUNT OF PROFESSIONAL SERVICES, IN HOURS, ALLOWED			
FOR _____ YEAR WITHOUT ADDITIONAL COST			_____

ATTACHMENT D: SAMPLE FORMAT FOR NOTIFICATION OF INTEREST LETTER

Enter name and address of government entity official responsible for RFP

Enter salutation to government entity official responsible for RFP

Our (my) firm is interested in submitting a proposal to audit the *Enter name of government entity's* financial statements for the fiscal year ended *Enter Fiscal Year End and the two subsequent fiscal years* as set forth in the Request for Proposals issued *Enter RFP Issue Date*.

SELECT ONE OF THE FOLLOWING PARAGRAPHS

We will have [#] representative(s) attend the proposers' conference for firms interested in submitting proposals. The proposers' conference will be held in *Enter address* on *Enter date* at *Enter time*.

OR

We will be unable to send representatives to the proposers' conference, but are interested in receiving further correspondence concerning inquiries made or other items discussed at that conference.

Sincerely,

[Audit Firm]

ATTACHMENT E: FORM OF AGREEMENT

Counterpart No. _____
Of 2 Original Executed Counterparts.
Counterpart of the _____

STATE OF GEORGIA,
COUNTY OF _____:

AGREEMENT FOR AUDIT SERVICES

THIS AGREEMENT FOR AUDIT SERVICES, hereinafter referred to as "Agreement", is made and entered into as of the _____ day of _____, 200____, (the "Date Hereof"), by _____ and _____ between _____ a **(sole proprietorship, general or limited partnership, professional corporation or business corporation)** whose agent and address for purposes of this agreement is _____

_____, hereinafter referred to as "the Auditor" and _____, a **(describe governmental or nonprofit entity)**, whose address for the purposes of this Agreement is _____, herein referred to as "the Auditee".

WITNESSETH THAT:

WHEREAS, the Auditee is a governmental entity, regional development center or nonprofit corporation created thereby, pursuant to _____ **(cite statute)**; and

WHEREAS, the Auditee is required by **(cite statute)** to be audited on a regular basis in accordance with certain specified audit standards; and

WHEREAS, the Auditor is a **(describe private entity)** organized under the laws of the State of Georgia engaged in the practice of accountancy and business of performing professional audit services; and

WHEREAS, the Auditee desires to utilize the professional services of the Auditor, in accordance with the needs, requirements, terms and conditions contained in a Request for

Proposals, Number _____ (the “RFP”), and the proposal (the “Auditor’s Proposal”) submitted by the Auditor in response to the RFP, which RFP and Auditor’s Proposal are attached hereto and by this reference incorporated herein; and

WHEREAS, the Auditee awarded the contract for audit services to the Auditor in accordance with the RFP and in reliance upon the representations and certifications contained in the Auditor’s Proposal; and

WHEREAS, the Auditor and Auditee desire to document the terms and conditions of their Agreement.

NOW, THEREFORE, for and consideration of the mutual covenants contained herein, the receipt and sufficiency of which is hereby acknowledged, it is agreed as follows:

Article 1

BASIC AGREEMENT

The Auditor will perform professional audit services in accordance with the Audit Requirements, Reporting and Delivery Requirements, General Terms and Conditions, and Special Terms and Conditions of the RFP. The Auditee will provide the information required by the RFP. The Auditor shall be compensated for its services as provided in the RFP and the Auditor’s Proposal.

Article 2

COVENANTS AND REPRESENTATIONS

2.1 Covenants of the Auditor. The Auditor shall perform professional audit services in accordance with the Auditor’s Proposal and the Audit Requirements, Reporting and Delivery Requirements, General Terms and Conditions, and Special Terms and Conditions contained in Sections III, VI, VII of the RFP, and any attachments thereto, all of which are by this reference incorporated herein.

2.2 Covenants of the Auditee. The Auditee will provide to Auditor all information reasonably necessary, useful or customary pursuant to both standard accounting and auditing practices and customary within Auditee’s trade or business activities.

2.3 Representations. To induce the Auditee to enter into this Agreement, the Auditee shall be entitled to rely upon the representations and certifications made by the Auditor in the Auditor’s Proposal, without independent investigation and verification, and each such representation or certification shall be deemed to be material to this Agreement. The person negotiating and executing this Agreement on behalf of the Auditor has the full right, power, and authority to enter into, execute and perform this Agreement in accordance with the terms hereof, and when executed and delivered, this Agreement will constitute a valid and binding obligation of the Auditor and will be enforceable in accordance with the terms thereof.

ARTICLE 3

FEES

3.1 The Auditor shall be paid for its services as provided in the schedule of fees and expenses submitted by the Auditor in the Auditor's Proposal in the sealed dollar cost bid as stated in the Cost Component of the RFP, Section IV (B), which are by this reference incorporated herein. Additional services shall be compensated in the manner set forth in the Addendum to this Agreement, at the same rates as set forth in the schedule of fees and expenses submitted by the Auditor in the Auditor's Proposal.

ARTICLE 4
CONTINGENCIES

4.1 Contingent Obligations of the Auditee. The obligations of the Auditee are subject to the following conditions:

4.1.1 The ability of the Auditee to carry out the terms of this Agreement in accordance with the laws and Constitution of the State of Georgia.

4.1.2 The timely performance by the Auditor of each and every covenant, agreement, and obligation imposed upon the Auditor in this Agreement.

4.1.3 The truth and accuracy as of the Date Hereof of each and every representation made by the Auditor.

4.1.4 This Agreement is expressly made subject to other laws affecting its subject matter. In the event of any conflict between such laws and this Agreement, such laws shall take precedence.

4.2 Contingent Obligations of the Auditor. The obligations of the Auditor are subject to the following conditions:

4.2.1 The timely performance by the Auditee of each and every covenant, agreement, and obligation imposed upon the Auditee in this Agreement.

ARTICLE 5
TERM

This Agreement shall have an initial term of up to twelve (12) months, to run concurrently with a fiscal year of the Auditee, commencing on _____ after the Date Hereof and terminating on _____ of the following year, and be subject to renewal for ___ additional successive term(s), if the Auditee gives notice of its election to renew the Agreement within thirty (30) days prior to the end of the term.

ARTICLE 6
NOTICES

All notices, demands or requests required or permitted to be given pursuant to this Agreement shall be in writing and given or served either in person or by United States Mail, postpaid, registered or certified with Return Receipt Requested, showing the name of the recipient and the date of delivery. Notices shall be addressed to the party or parties identified and

at the address as set forth in the introductory paragraph of this Agreement, and the date upon which such notice is delivered shall be deemed the effective date thereof. Either party may, from time to time, by five (5) days' prior written notice to the other party, specify a different agent or address to which notices can be delivered. Rejection or other refusal to accept a notice or inability to deliver a notice because of a changed agent or address of which no notice was given shall constitute receipt of the notice on the date when personal service is attempted or the date of the postmark, if mailed.

ARTICLE 7
RIGHTS CUMULATIVE

All rights, powers, and privileges conferred hereunder shall be cumulative and not restrictive of those given by law.

ARTICLE 8
NON-WAIVER

No failure of the Auditee to exercise any right or power given to the Auditee under this Agreement, or to insist upon strict compliance by the Auditor with the provisions of this Agreement, and no custom or practice of the Auditee or the Auditor at variance with the terms and conditions of this Agreement, shall constitute a waiver of the Auditee's right to demand exact and strict compliance with the terms and conditions of this Agreement.

ARTICLE 9
CONTINUITY

Each of the provisions of this Agreement shall be binding upon and inure to the benefit and detriment of the Auditor and the Auditee and the heirs, devisees, legatees, legal representatives, successors and assigns of the Auditor and the Auditee.

ARTICLE 10
DATE FOR PERFORMANCE

If the time period by which any right, option or election provided under this Agreement must be exercised, or by which any act required hereunder must be performed, or by which the Closing must be held, expires on a Saturday, Sunday or legal holiday, then such time period shall be automatically extended through the close of business on the next regularly scheduled business day.

ARTICLE 11
TIME OF THE ESSENCE

All time limits stated herein are of the essence of this Agreement.

ARTICLE 12

CAPTIONS

The brief headings or titles preceding each provision hereof are for purposes of identification and convenience only and should be completely disregarded in construing this Agreement.

ARTICLE 13

COUNTERPARTS

This Agreement is executed in two (2) counterparts which are separately numbered but each of which is deemed an original of equal dignity with the other and which is deemed one and the same instrument as the other.

ARTICLE 14

NO ASSIGNMENT, NO THIRD PARTY BENEFICIARIES

14.1 This Agreement is a personal retention of Auditor as an independent contractor. Auditor must perform by its own forces and may not delegate, subcontract, assign, transfer, or otherwise obtain its performance of this Agreement, without the express written consent of Auditee.

14.2 Nothing herein shall be construed as conferring upon or giving to any person, other than the parties hereto, any rights or benefits under or by reason of this Agreement.

IN WITNESS WHEREOF, the Auditor and the Auditee have caused these presents to be duly signed, sealed and delivered on the day, month, and year first above written.

AUDITOR

By

(Seal)

Name:

Title:

(If corporation, fill in below)

Attest:

(Seal)

Name:

Title:

(Corporate seal affixed)

AUDITEE

By

(Seal)

Name:

Title: