



# Shelby County Tennessee

Mark H. Luttrell, Jr., Mayor

## **Request for Proposal Shelby County Government Purchasing Department**

160 N. Main, Suite 900  
Memphis, TN 38103

*Issued: March 3, 2016*

*Due: March 29, 2016 no later than 3:00 P.M. (Central Standard Time)*

**RFP #16-003-51**

### **Financial Statement Audit (Fiscal Years 2016 - 2020) (Shelby County Commission)**

Shelby County Government is soliciting written proposals, on a competitive basis, from qualified firms or professionals to conduct an audit of the accounts of the Shelby County Government to determine whether the government-wide, combined, combining and individual fund financial statements present fairly the financial position and results of operations and, where applicable, changes in cash flows in conformity with generally accepted accounting principles. Information regarding this RFP is located on the County's website at [www.shelbycountyttn.gov](http://www.shelbycountyttn.gov). At the top of the home page, click on the links "Department", "P" for the Purchasing Department and "Bids" to locate the name of the above-described RFP.

The proposal, as submitted, should include all estimated costs related to the services requested by the RFP specifications. If selected, your proposal will be the basis for negotiating a contract with Shelby County Government. Your proposal must be received in the Shelby County Purchasing Department **no later than 3:00 p.m. on Tuesday, March 29, 2016.** Proposals should be addressed to:

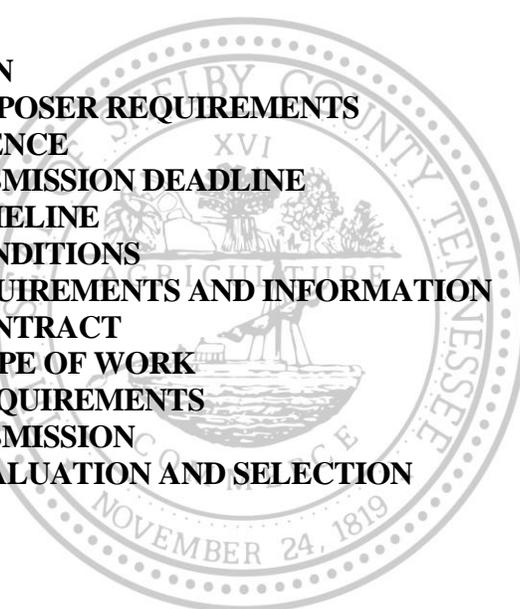
Robert S. Brenner, Buyer  
Shelby County Government  
Purchasing Department  
160 N. Main St., Suite 900  
Memphis, TN 38103

**The package containing an original copy (clearly identified as original) and seven (7) copies of your proposal must be sealed and marked with the Proposer's name and "CONFIDENTIAL, FINANCIAL STATEMENT AUDIT (FISCAL YEARS 2016 – 2020), RFP #16-003-51" noted on the outside.**

Sincerely,

Robert S. Brenner, Buyer  
Shelby County Government  
Purchasing Department

## TABLE OF CONTENTS

- 
- The seal of Shelby County, Tennessee, is a circular emblem. It features a central illustration of a landscape with a river, a bridge, and a building. The text "SHELBY COUNTY TENNESSEE" is written around the top inner edge, and "NOVEMBER 24, 1819" is at the bottom. The Roman numeral "XVI" is positioned above the central scene.
- I. INTRODUCTION**
  - II. MINIMUM PROPOSER REQUIREMENTS**
  - III. CORRESPONDENCE**
  - IV. PROPOSAL SUBMISSION DEADLINE**
  - V. PROPOSAL TIMELINE**
  - VI. PROPOSAL CONDITIONS**
  - VII. GENERAL REQUIREMENTS AND INFORMATION**
  - VIII. AWARD OF CONTRACT**
  - IX. PURPOSE / SCOPE OF WORK**
  - X. CONTRACT REQUIREMENTS**
  - XI. PROPOSAL SUBMISSION**
  - XII. PROPOSAL EVALUATION AND SELECTION**

*Note: Please make sure you pay close attention to Sections: I-V, IX & XI. These sections will clearly outline what information is required to properly respond and prepare your RFP response.*

*Please download all of the additional information and attachments that accompany this RFP.*

## I. INTRODUCTION

The Board of Commissioners of Shelby County Government (the “County”) is seeking proposals from interested and qualified firms or professionals to conduct an audit of the accounts of the “County” (the “Services”). This Request for Proposal (“RFP”) is being released to invite interested and qualified firms to prepare and submit proposals in accordance with instructions provided where one successful candidate will be selected and invited to enter into a contractual relationship with Shelby County for the Services outlined in the RFP. In this RFP, the terms Proposer and Consultant are used interchangeably unless the context indicates otherwise.

## II. MINIMUM PROPOSER REQUIREMENT

All Proposers must:

1. Meet auditor qualifications as defined by Government Audit Standards using the GASB 34 Model.
2. Have a minimum of five (5) years experience performing the work described in the RFP.
3. Have sufficient, competent and skilled staff to be assigned to conduct the audit and should collectively possess adequate professional proficiency for the task required.
4. In all matters relating to the audit work, the audit organization and the individual auditor, whether government or public, be free from personal and external impairments to independence, be organizationally independent, and maintain an independent attitude and appearance.
5. Have the ability to ensure that due professional care will be used in conducting the audit and in preparing related reports.
6. Have an appropriate internal quality control system in place and undergo an external quality control review.
7. Have all appropriate licenses and certifications required in the State of Tennessee to perform the Services and procure all permits, pay all charges, taxes and fees.
8. **Apply** and **qualify** for a vendor number and an Equal Opportunity Compliance (EOC) certification number through our EOC Administration (*see the details outlined in Section VII General Requirement / e. Selection Criteria*) **prior to submitting your response.**
9. Adhere to all Title VI requirements and provide proof/documentation if necessary.
10. Provide proof of the minimum insurance requirements (**MANDATORY**, please review closely).

***Please Note: As a part of doing business with Shelby County, each individual, company or organization is required to obtain a vendor number and an “Equal Opportunity Compliance” certification number.***

*You can access the online applications to receive the numbers indicated above at [www.shelbycountyttn.gov](http://www.shelbycountyttn.gov). To obtain a vendor number and an EOC number, please follow the instructions below:*

**Vendor Number (Purchasing Department)**

At the top of the home page, click on the links “Department”, “P” for the Purchasing Department and “Conducting Business with Shelby County”. The “Vendor Registration” link is at the bottom of the drop down box. Please download the application instructions and read thoroughly prior to accessing the application. (*Applications for a vendor number are accepted online only.*)

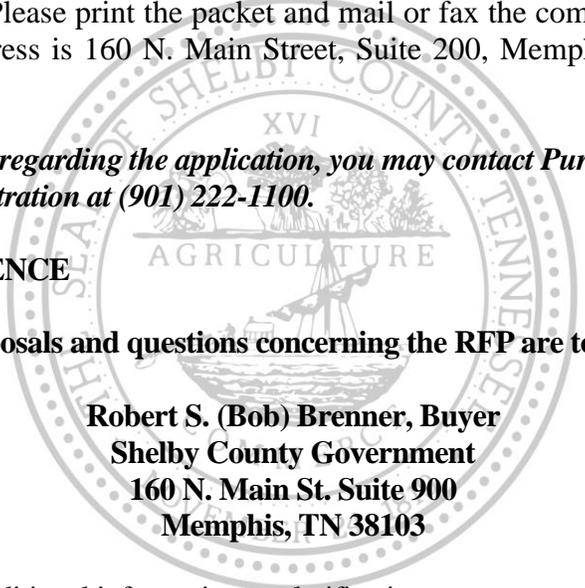
**Equal Opportunity Compliance (EOC) Number (EOC Administration Office)**

At the top of the home page, click on the links “Department”, “E” for the Equal Opportunity Compliance and “Contract Compliance Program”. The “Contract Compliance Packet” link is in the middle of the page. Please print the packet and mail or fax the completed packet to the EOC office. The mailing address is 160 N. Main Street, Suite 200, Memphis, TN 38103. The fax number is 901-222-1101.

*If you have any questions regarding the application, you may contact Purchasing at (901) 222-2250 or the EOC Administration at (901) 222-1100.*

**III. CORRESPONDENCE**

**All correspondence, proposals and questions concerning the RFP are to be submitted to:**



**Robert S. (Bob) Brenner, Buyer  
Shelby County Government  
160 N. Main St. Suite 900  
Memphis, TN 38103**

Respondents requesting additional information or clarification are to contact Bob Brenner in writing at [bob.brenner@shelbycountyttn.gov](mailto:bob.brenner@shelbycountyttn.gov) or at the address listed above. Questions should reference the section of the RFP to which the question pertains and all contact information for the person submitting the questions. ***IN ORDER TO PREVENT AN UNFAIR ADVANTAGE TO ANY RESPONDENT, VERBAL QUESTIONS WILL NOT BE ANSWERED. The deadline for submitting questions will be March 21, 2016 by 12:00 p.m. (CST).*** These guidelines for communication have been established to ensure a fair and equitable process for all respondents.

***Note: All written questions submitted by the deadline indicated above will be answered and posted on the County’s website at [www.shelbycountyttn.gov](http://www.shelbycountyttn.gov) within 48 hours of the above cut-off date.***

**Please be aware that contact with any other personnel (other than the persons clearly identified in this document) regarding this RFP may disqualify your company from further consideration.**

#### **IV. PROPOSAL SUBMISSION & DEADLINE**

All proposals must be received at the address listed above no later than **March 29, 2016 @ 3:00 p.m. (CST)**. Facsimile or e-mailed proposals will not be accepted since they do not contain original signatures. Postmarks will not be accepted in lieu of actual receipt. Late or incomplete proposals may not be opened and considered. Under no circumstances, regardless of weather conditions, transportation delays, or any other circumstance, will this deadline be extended.

#### **V. PROPOSAL TIMELINE**

Shelby County reserves the right to modify this timeline at any time. If the due date for proposals is changed, all prospective Proposers shall be notified.

<b>Proposals Release Date</b>	<b>March 3, 2016</b>
<b>Proposal Due Date</b>	<b>March 29, 2016 by 3:00 pm (CST)</b>
<b>Notification of Award</b>	<b>April, 2016</b>
<b>Services to Commence</b>	<b>April, 2016 or immediately upon execution of the contract</b>

The County may reproduce any of the Proposer's proposal and supporting documents for internal use or for any other purpose required by law.

#### **VI. PROPOSAL CONDITIONS**

##### **a. Contingencies**

This RFP does not commit the County to award a contract. The County reserves the right to accept or reject any or all proposals if the County determines it is in the best interest of the County to do so. The County will notify all Proposers, in writing, if the County rejects all proposals.

##### **b. Modifications**

The County reserves the right to issue addenda or amendments to this RFP.

##### **c. Proposal Submission**

To be considered, all proposals must be submitted in the manner set forth in this RFP. It is the Proposer's responsibility to ensure that its proposals arrive on or before the specified time.

**d. Incurred Costs**

This RFP does not commit the County to pay any costs incurred in the preparation of a proposal in response to this RFP and Proposers agree that all costs incurred in developing this RFP are the Proposer's responsibility.

**e. Final Authority**

The final authority to award a contract rests solely with the Shelby County Purchasing Department.

**f. Proposal Validity**

Proposals submitted hereunder will be firm for at least ninety (90) calendar days from the due date unless otherwise qualified.

**g. Disclosure of Proposal Contents**

Provider understands and acknowledges that the County is a governmental entity subject to the laws of the State of Tennessee and that any reports, data or other information supplied to the County is subject to being disclosed as a public record in accordance with the laws of the State of Tennessee. All proposals and other materials submitted become the property of Shelby County Government.

**h. LOSB**

The County encourages the utilization of locally-owned small businesses as sources of subcontract work. The County notifies all respondents that all firms and/or individuals shall comply with the regulations relative to nondiscrimination in federally assisted programs of the Title VI of the Civil Rights Act of 1964, as amended.

**LOCALLY OWNED SMALL BUSINESS PURCHASING PROGRAM RULES AND REGULATIONS:**

- (i) The Administrator of Purchasing in conjunction with the Administrator of EOC shall identify certain goods and services required by the County to be set aside for special purchasing procedures for locally owned small businesses.
- (ii) Only certified locally owned small businesses will be allowed to submit competitive bids on the goods or services identified under paragraph (i) above.

(iii) The Administrator of Purchasing shall, in conjunction with the Administrator of EOC, annually review the Shelby County Capital Improvement Program to determine those projects with a construction cost of \$250,000 or more. Contracts amounting to at least ten (10%) of the construction costs of such project shall be awarded to locally owned small businesses as defined herein, except as set forth in sub-paragraph (vi) of this section, either as part of the conditions of the solicitation for general contractors bidding on these projects, or as separate bids issued by the County for subcontracts that may be assigned to general contractors.

(iv) After adhering to all other bidding and purchasing requirements of the County, not inconsistent with this part, if no bids are received from locally owned small businesses, then the County may solicit bids for the goods or services from all other sources.

(v) On all purchases and/or contracts entered into by the County, the Purchasing Administrator or his or her designee shall have the right to negotiate with any supplier of goods or services to the County for the inclusion of locally owned small business subcontractors and/or suppliers in the contract award.

(vi) Failure by a supplier or contractor to include locally owned small business sub-contractors or suppliers in its bid or contract may be grounds for rejection of said bid or contract unless the supplier or contractor can show documented evidence of good cause why none were included.

(vii) Any locally owned small business awarded a contract or purchase order under this section shall not sublet, subcontract or assign any work or services awarded to it without the prior written consent of the Mayor or the Purchasing Administrator.

(viii) As to those purchases below the requirement for a formal bid solicitation (currently, under \$15,000) and not included in the locally owned small business set aside, the Administrator of Purchasing shall determine if any locally owned small business offers that product or service. If so, at least one such eligible locally owned small business should be included in the vendors contacted for an opportunity to bid, and the Administrator of Purchasing may, at his discretion, designate in a purchase order the purchase of such goods and services from the identified locally owned small business.

(ix) In those situations where a locally owned small business as defined herein, engages in open competitive bidding for County contracts, the Administrator of Purchasing shall provide for a preference for the locally owned small business where responsibility and quality are equal. Said preferences shall not exceed five percent (5%)

of the lowest possible bidder meeting specifications. The preference shall be applied on a sliding scale in the following manner:

- a. A preference of up to five percent (5%) shall be allowed for contracts up to \$500,000.00;
- b. A preference of up to three and five-tenths percent (3.5%) shall be allowed for contracts up to \$750,000.00;
- c. A preference of two and one-half percent (2.5%) shall be allowed for contracts up to \$1,000,000.00;
- d. A preference of two percent (2%) shall be allowed for contracts that exceed \$1,000,000.00.

(x) For construction contracts over \$2,000,000.00, the Administrator of Purchasing shall provide for a preference of two percent (2%) to general contractors meeting the requirements of Section 1, Subparagraph B, if fifty percent (50%) or more of the total work comprising the bid has been or will be awarded to certified locally owned small businesses. The fifty percent subcontracting threshold must be met prior to contract execution.

(xi) The Administrator of Purchasing may divide a single bid package for any purchase of goods and services into two or more smaller bid packages in any case that the Administrator of Purchasing reasonably believes that the smaller bid packages will result in a greater number of bids by locally owned small businesses.

(xii) The Administrator of Purchasing, upon approval of the County Mayor, may establish special insurance and bonding requirements for certified locally owned small businesses so long as they are not in conflict with the laws of the State of Tennessee.

(xiii) The Administrator of Purchasing, with the approval of the County Mayor, shall adopt and promulgate, and may from time to time, amend rules and regulations not inconsistent with the provisions of this ordinance, governing the purchase of goods and services from locally owned small business concerns to effectuate and implement the Locally Owned Small Business Purchasing Program within the intent of this ordinance.

(xiv) The Administrator of EOC shall, in conjunction with the Administrator of Purchasing, provide a written quarterly report to the Mayor and Board of Commissioners which shall include a summary of the purchases selected for this program, a listing of the contracts awarded to locally owned small businesses for the period, and the dollar amounts of each such contract, and the

percentage which such contracts bear to the total amount of purchases for the period.

## **VII. GENERAL REQUIREMENTS AND INFORMATION**

### **A. Background**

The purpose of the audit is to secure an auditor's opinion on whether the government-wide, combined, combining and individual fund financial statements present fairly the financial position and results of the operations and, where applicable, changes in cash flows in conformity with generally accepted accounting principles.

### **B. Scope of Contract**

The County wishes to engage in a contractual relationship with the best-qualified Auditor selected through a competitive process that will work well with the County's personnel in the performance of the Services (Audit of Financial Statements for the fiscal years ending June 30, 2016, 2017, 2018, 2019 and 2020) in a manner that is cost-effective and practical of which price is but one of the selection criteria.

### **C. Project Time Frame**

The County is looking to negotiate a contract that will cover the term of five (5) years. To comply with State law, we will negotiate a one year contract with the option for renewal of four (4) additional years with the same terms and conditions as the original contract to provide these services. The contract will commence March 2016 or immediately upon the execution of the contract. The successful Proposer must be prepared to begin immediately upon receipt of a Notice to Proceed and be prepared to begin in time to submit the Comprehensive Annual Financial Report (CAFR) to the Governmental Financial Officers Association (GFOA) by November 30.

### **D. Reservation of Rights**

The County reserves the right, for any reason to accept or reject any one or more proposals, to negotiate the term and specifications for the services provided, to modify any part of the RFP, or to issue a new RFP.

The County may at any reasonable time, at its expense, make an audit of the Consultant's books relative to the Accounts.

### **E. Selection Criteria**

Each response will be evaluated on the criteria outlined in Section XII of this document. Each bidder should set out in its response to this RFP to clearly identify the qualifications of its company and each individual who will work on this project.

As part of the qualification process each vendor will be required to apply for an EOC # and provide workforce utilization information. Please contact the EOC Administration @ 901-222-1100 to obtain the necessary documents and to ask any questions that you may have regarding this information.

#### **F. Additional Information and References**

Any additional information that would be helpful to the County in evaluating a proposal, including a list of current and former clients with a similar profile to Shelby County, should be submitted. At least three (3) former clients who have terminated in the last five (5) years should be included on this list.

### **VIII. AWARD OF CONTRACT**

Proposers are advised that the lowest cost proposal will not necessarily be awarded the contract, as the selection will be based upon qualification criteria as deemed by the County and as determined by the selection committee. The successful Provider will be chosen based on the qualifications and selection criteria discussed in Sections II and XII of this proposal.

The award will be made to the Proposer whose proposal is determined to be best in terms of professional and technical completeness. The selection process may, however, include a request for additional information or an oral presentation to support the written proposal.

The Proposers whose proposals do not meet the mandatory requirements will be considered noncompliant. After evaluation of the proposals and selection of the successful Proposer, all Proposers will be notified in writing of the selected firm.

### **IX. PURPOSE / SCOPE OF WORK**

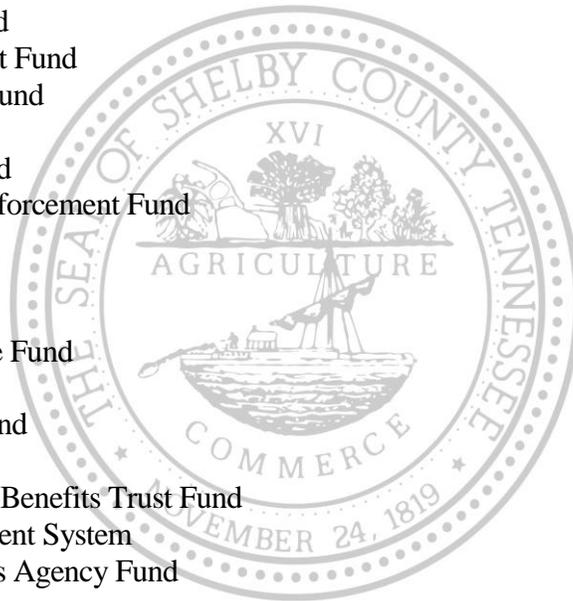
To select the best-qualified company and award a County-approved contract for professional services to perform the Services and to satisfactorily complete all activities associated with the Services.

The scope of work will include all work necessary to render separate opinions on the financial statements of Shelby County Government, the Shelby County Board of Education, the Shelby County OPEB Trust Fund, and the Shelby County Retirement System and to issue the opinion and reports required for the Federal Single Audit Report.

#### **A. General Services & Accounts**

The audit and CAFR will include the following funds and account groups:

- **General Fund**
- **Debt Service Fund**
- **Capital Projects Fund**
- **Special Revenue Funds**
  - Education Funds
  - Grants Funds
  - Roads and Bridges Fund
  - Hotel and Motel Taxes Fund
  - Sheriff Forfeitures Fund
  - Data Processing Fund
  - Car Rental Tax Fund
  - Health Services Restricted Fees Fund
  - Storm Water Fees Fund
  - Economic Development Fund
  - Restricted Court Fees Fund
- **Enterprise Funds**
  - Corrections Center Fund
  - Consolidated Codes Enforcement Fund
  - Fire Services Fund
- **Internal Service Funds**
  - Central Services Fund
  - Group Health Insurance Fund
  - Tort Liability Fund
  - Employer Insurance Fund
- **Fiduciary Funds**
  - Other Postemployment Benefits Trust Fund
  - Shelby County Retirement System
  - County Charter Officers Agency Fund
- **Component Units**
  - Shelby County Board of Education
  - Shelby County Health Care Corporation
  - Agricenter International
  - Emergency Communication District



The financial statements of the Board of Education's School Activity and Cafeteria Funds, Agricenter International, Emergency Communications District and the Shelby County Health Care Corporation are examined by independent accountants under separate contracts; audited financial statements are submitted for inclusion in the Shelby County Government CAFR and the Shelby County Board of Education CAFR. The audit of the primary financial statements of the Shelby County Board of Education will be performed under this contract. Other funds and component units, which might subsequently be added to the reporting entity, will also be added to the scope of the audit.

*CAFR and Single Audit Reports for Shelby County Government, the financial report for the OPEB Trust, and the audit report for the Shelby County Retirement System for past fiscal years are located on the County's website: <http://www.shelbycountyttn.gov> Finance Department under the link to Budget, Financial and Audit Reports.*

## **B. Audit Period**

The audit period is from July 1, 2016 through June 30, 2020, with the option to cancel.

## **C. Technical Standards**

The examination will be conducted and reports issued in accordance with all applicable technical standards and requirements, including:

- Generally Accepted Government Auditing Standards (GAGAS)
- General Accepted Auditing Standards (GAAS)
- Government Auditing Standards (“Yellow Book”)
- Governmental Accounting and Financial Reporting Standards Act
- Single Audit Act
- U.S. Office of Management and Budget (OMB) Circular A-133, Audits of States, Local Governments and Non-Profit Organizations
- Accounting Manual for Recipients of Grant Funds in Tennessee

The GFOA publishes Governmental Accounting, Auditing and Financial Reporting (GAAFR or “Blue Book”) which is non-authoritative, but useful in conducting audits of governmental units. The County follows standards set forth by the Governmental Accounting Standards Board (GASB). The CAFR is expected to be of such quality as to continue to meet GFOA Standards for the “Certificate for Achievement for Excellence in Financial Reporting”.

The Auditor is subject to all requirements of the State Comptroller’s Division of Local Government Audit as stated in Section 4-3-304 of the Tennessee Code Annotated.

## **D. Reports**

The following reports will be issued upon completion of the examination of the financial statements:

- Shelby County Government Comprehensive Annual Financial Report (CAFR)
- Other Postemployment Trust Report (OPEB Trust)
- Shelby County Retirement System Pension Trust Fund Report
- Shelby County Board of Education Comprehensive Annual Financial Report (CAFR) and Supplemental Information
- Independent Auditors Reports on Compliance, Internal Controls, and Schedule of

- Financial Assistance (“Yellow Book” Reports) (Single Audit Report)
- Management Letter (separate reports for Shelby County and Board of Education)
- Letter to Governance Body (separate letters for Shelby County Government and Board of Education)

Although this contract covers five (5) fiscal years, the requirements of the examination and reports to be issued apply to each fiscal year ending June 30 included in the contracted period. The County will enter into a separate contract to print the Shelby County Government CAFR and will pay the printing cost. The auditor will be responsible for printing all other reports.

## **E. Auditor Qualifications**

### **As defined by Government Audit Standards (“Yellow Book”):**

1. The staff assigned to conduct the audit should collectively possess adequate professional proficiency for the tasks required.
2. In all matters relating to the audit work, the audit organization and the individual auditors, whether government or public, should be free from personal and external impairments to independence, should be organizationally independent, and should maintain an independent attitude and appearance.
3. Due professional care should be used in conducting the audit and in preparing related reports.
4. Each audit organization conducting audits in accordance with these standards should have an appropriate internal quality control system in place and undergo an external quality control review.

### **Continuing Education Requirements**

(3.76): “Auditors performing work in accordance with GAGAS, including planning, directing, performing audit procedures, or reporting on an audit conducted in accordance with GAGAS, should maintain their professional competence through continuing professional education (CPE). Therefore, each auditor performing work in accordance with GAGAS should complete, very 2 years, at least 24 hours of CPE that directly relates to government auditing, the government environment, or the specific or unique environment in which the audited entity operates. Auditors who are involved in any amount of planning, directing, or reporting on GAGAS audits and auditors who are not involved in those activities but charge 20 percent or more of their time annually to GAGAS audits should also obtain at least an additional 56 hours of CPE (for a total of 80 hours of CPE in every 2-year period) that enhances the auditor’s professional proficiency to perform audits. Auditors required to take the total 80 hours of CPE should complete at least 20 hours of CPE in each year of the 2-year periods. Auditors hired initially assigned to GAGAS audits after the beginning of an audit organization’s 2-year CPE period should complete a prorated number of CPE hours.”

## **Quality Control Standards**

(3.82): “Each audit organization performing audits in accordance with GAGAS must:

- a. Establish and maintain a system of quality control that is designed to provide the audit organization with reasonable assurance that the organization and its personnel comply with professional standards and applicable legal and regulatory requirements, and
- b. Have an external peer review performed by reviewers independent of the audit organization being reviewed at least once every 3 years.”

(3.105): “An external audit organization should make its most recent peer review report publicly available. For example, an audit organization may satisfy this requirement by posting the peer review report on a publicly available web site or to a publicly available file designed for public transparency of peer review results. Alternatively, if neither of these options is available to the audit organization, then it should use the same transparency mechanism it uses to make other information public. The audit organization should provide the peer review report to others upon request. If a separate communication detailing findings, conclusions, and recommendations is issued, public availability of that communication is not required. Internal audit organizations that report internally to management and those charged with governance should provide a copy of the peer review report to those charged with governance.”

**The auditor must disclose the terms of any contract issued based on this RFP and comply with any new or revised requirements of any authoritative standard setting body. Accordingly, proposals to audit must include the audit firms’ most recent external quality review report.**

### **F. Scheduling**

It is the County’s intent to send the Shelby County Government CAFR to the printer before Thanksgiving each year. It is also our desire and intent to continue to shorten the time required to finalize the audit and submit to the printer. The timing of completion of the Elected Officials and Board of Education are critical to meeting our deadlines. The following schedule is to be adhered to:

May	Preliminary Work
June 15	Request for audit schedules and confirmations
June 30	Fiscal year end
July 10	Elected Officials close fiscal year records
July 31	County closes disbursements/payables
August 15	County closes revenue
July-August	Elected officials field work
August-September	Preparation of audit schedules
August-September	Board of Education field work
September-October	County field work
September 30	Finalize Elected Officials including CAFR schedules
October 15	Issue Board of Education financial statements
November 1	Deliver draft management letter
November	CAFR preparation and review

November 21	Deliver signed opinion and compliance letters for the Shelby County Government CAFR and Single Audit.
November 25	Issue management letter

Timing of Elected Officials, Board of Education and component unit audits is critical in meeting report deadlines. To ensure continued progress, all critical or potential problems must be communicated in a timely manner. Any proposed adjusting journal entries must be communicated and discussed with the Controller, Finance Administrator and/or Director of Administration and Finance as they are issued.

**G. Finance Department Assistance**

The County’s accounting staff prepares various account analyses and reconciliations both for internal use and for audit purposes. The PBC (prepared by client) schedule and due dates are negotiated by the auditor and the County’s Controller in the spring, with the understanding that additional schedules may be requested as the need arises.

The accounting staff processes necessary adjusting entries, including those to incorporate County Charter Officers Agency Fund (funds which do not utilize the County’s accounting system or maintain separate accounting data). After adjusting entries are posted the production of financial statements begin. The finance staff will also prepare the Introductory Section (including Transmittal Letter), Management’s Discussion and Analysis, Notes to the Financial Statements, Supplemental Schedules and Statistical Section of the CAFR. Both the finance staff and audit staff proof the entire CAFR and coordinate needed revisions prior to printing.

Under separate contract, the County submits a camera-ready copy of the entire Shelby County Government CAFR, including auditor’s report, and slides for photographs, to the printer for production of the report. The County examines the finished document prior to submission to GFOA. The auditors prepare the financial statements and supplemental information for the Board of Education, OPEB Trust, and Retirement System Pension Trust.

**H. Fee Structure**

The contract will include both the maximum fee for each year’s annual audit and hourly rates for each classification. Special projects or audits requested by the County will be paid at the same hourly rates. If hourly rates differ for each year of the five-year contract, the proposal should so state. Auditors will provide Finance with the monthly billing information by classification, containing monthly and cumulative hours of service. The proposal and billings shall also provide separate amounts for Shelby County Government, The Board of Education, OPEB Trust, and Retirement System Pension Trust.

**X. CONTRACT REQUIREMENTS**

The successful Proposer/Consultant will be expected to enter into a contract incorporating the following terms and conditions, and such additional terms and conditions standard to services of this type in addition to those required by the State Comptroller.

**A. General Requirements**

1. Control. All services by the Consultant will be performed in a manner satisfactory to the County, and in accordance with the generally accepted business practices and procedures of the County.

2. Consultant's Personnel. The Consultant certifies that it presently has adequate qualified personnel to perform all services required under this Contract. All work under this Contract will be supervised by the Consultant. The Consultant further certifies that all of its employees assigned to serve the County have such knowledge and experience as required to perform the duties assigned to them. Any employee of the Consultant who, in the opinion of the County, is incompetent, or whose conduct becomes detrimental to the work, shall immediately be removed from association with services under this Contract.

3. Independent Status. (a) Nothing in this Contract shall be deemed to represent that the Consultant, or any of the Consultant's employees or agents, are the agents, representatives, or employees of the County. The Consultant will be an independent consultant over the details and means for performing its obligations under this Contract. Anything in this Contract which may appear to give County the right to direct the Consultant as to the details of the performance of its obligations under this Contract or to exercise a measure of control over the Consultant is solely for purposes of compliance with local, state and federal regulations and means that the Consultant will follow the desires of the County only as to the intended results of the scope of this Contract.

(b) It is further expressly agreed and understood by Consultant that neither it nor its employees or agents are entitled to any benefits which normally accrue to employees of the County; that the consultant has been retained by the County to perform the services specified herein (not hired) and that the remuneration specified herein is considered fees for services performed (not wages) and that invoices submitted to the County by the Consultant for services performed shall be on the Consultant's letterhead.

4. Termination Or Abandonment. (a) It shall be cause for the immediate termination of this Contract if, after its execution, the County determines that either:

(i) The Consultant or any of its principals, partners or corporate officers, if a corporation, including the corporation itself, has plead nolo contendere, or has plead or been found guilty of a criminal violation, whether state or federal, involving, but not limited to, governmental sales or purchases, including but not limited to the rigging of bids, price fixing, or any other collusive and illegal activity pertaining to bidding and governmental contracting.

- (ii) The Consultant has subcontracted, assigned, delegated, or transferred its rights, obligations or interests under this Contract without the County's consent or approval.
- (iii) The Consultant has filed bankruptcy, become insolvent or made an assignment for the benefit of creditors, or a receiver, or similar officer is appointed to take charge of all or part of Consultant's assets.

(b) The County may terminate the Contract upon five (5) days written notice by the County or its authorized agent to the Consultant for Consultant's failure to provide the services specified under this Contract.

(c) This Contract may be terminated by either party by giving thirty (30) days written notice to the other, before the effective date of termination. In the event of such termination, the Consultant shall be entitled to receive just and equitable compensation for any satisfactory work performed as of the termination date; however, the Consultant shall not be reimbursed for any anticipatory profits that have not been earned as of the date of termination.

(d) All work accomplished by Consultant prior to the date of such termination shall be recorded and tangible work documents shall be transferred to and become the sole property of the County prior to payment for services rendered.

(e) Notwithstanding the above, the Consultant shall not be relieved of liability to the County for damages sustained by the County by virtue of any breach of the Contract by the Consultant and the County may withhold any payments to Consultant for the purpose of setoff until such time as the exact amount of damages due the County from the Consultant is determined.

5. Subcontracting, Assignment Or Transfer. Any subcontracting, assignment, delegation or transfer of all or part of the rights, responsibilities, or interest of either party to this Contract is prohibited unless by written consent of the other party. No subcontracting, assignment, delegation or transfer shall relieve the Consultant from performance of its duties under this contract. The County shall not be responsible for the fulfillment of the Consultant's obligations to its transferors or subcontractors. Upon the request of the other party, the subcontracting, assigning, delegating or transferring party shall provide all documents evidencing the assignment.

6. Conflict Of Interest. The Consultant covenants that it has no public or private interest, and will not acquire directly or indirectly any interest which would conflict in any manner with the performance of its services. The Consultant warrants that no part of the total contract amount provided herein shall be paid directly or indirectly to any officer or employee of the County as wages, compensation, or gifts in exchange for acting as officer, agent, employee, sub-contractor to the Consultant in connection with any work contemplated or performed relative to this Contract.

7. Covenant Against Contingent Fees. The Consultant warrants that it has not employed or retained any company or person other than a bona fide employee working solely for the Consultant, to solicit or secure this Contract, and that it has not paid or agreed to pay any company or person, other

than a bona fide employee working solely for the Consultant any fee, commission, percentage, brokerage fee, gift, or any other consideration contingent upon or resulting from the award or making of this Contract. For breach or violation of this warranty, the County will have the right to recover the full amount of such fee, commission, percentage, brokerage fee, gift, or other consideration.

8. Arbitration. Any dispute concerning a question of fact in connection with the work not disposed of by agreement between the Consultant and the County will be referred to the Shelby County Contract Administrator or his/her duly authorized representative, whose decision regarding same will be final.

9. General Compliance With Laws. (a) If required, the Consultant shall certify that it is qualified and duly licensed to do business in the State of Tennessee and that it will take such action as, from time to time, may be necessary to remain so qualified and it shall obtain, at its expense, all licenses, permits, insurance, and governmental approvals, if any, necessary to the performance of its obligations under this Contract.

(b) The Consultant is assumed to be familiar with and agrees that at all times it will observe and comply with all federal, state, and local laws, ordinances, and regulations in any manner affecting the conduct of the work. The preceding shall include, but is not limited to, compliance with all Equal Employment Opportunity laws, the Fair Labor Standards Act, Occupational Safety and Health Administration (OSHA) requirements, the Americans with Disabilities Act (ADA), and all state and local laws, rules and regulations pertaining to electrical requirements of residential construction and renovation.

(c) This Contract will be interpreted in accordance with the laws of the State of Tennessee. By execution of this contract the Consultant agrees that all actions, whether sounding in contract or in tort, relating to the validity, construction, interpretation and enforcement of this contract will be instituted and litigated in the courts of the State of Tennessee, located in Shelby County, Tennessee, and in no other. In accordance herewith, the parties to this contract submit to the jurisdiction of the courts of the State of Tennessee located in Shelby County, Tennessee.

10. Nondiscrimination. The Consultant hereby agrees, warrants, and assures that no person shall be excluded from participation in, be denied benefits of, or be otherwise subjected to discrimination in the performance of this Contract or in the employment practices of the Consultant on the grounds of handicap and/or disability, age, race, color, religion, sex, national origin, or any other classification protected by Federal, Tennessee State constitutional, or statutory law. The Consultant shall upon request show proof of such nondiscrimination, and shall post in conspicuous places available to all employees and applicants notices of nondiscrimination.

11. Entire Agreement. This Contract contains the entire Contract of the parties and there are no other promises or conditions in any other Contract whether oral or written. This Contract supersedes any prior written or oral Contracts between the parties.

12. Amendment. This Contract may be modified or amended, only if the amendment is made in writing and is signed by both parties.

13. Severability. If any provision of this Contract is held to be unlawful, invalid or unenforceable under any present or future laws, such provision shall be fully severable; and this Contract shall then be construed and enforced as if such unlawful, invalid or unenforceable provision had not been a part hereof. The remaining provisions of this Contract shall remain in full force and effect and shall not be affected by such unlawful, invalid or unenforceable provision or by its severance here from. Furthermore, in lieu of such unlawful, invalid, or unenforceable provision, there shall be added automatically as a part of this Contract a provision as similar in terms to such unlawful, invalid or unenforceable provision as may be possible, and be legal, valid and enforceable.

14. No Waiver Of Contractual Right. No waiver of any term, condition, default, or breach of this Contract, or of any document executed pursuant hereto, shall be effective unless in writing and executed by the party making such waiver; and no such waiver shall operate as a waiver of either (a) such term, condition, default, or breach on any other occasion or (b) any other term, condition, default, or breach of this Contract or of such document. No delay or failure to enforce any provision in this Contract or in any document executed pursuant hereto shall operate as a waiver of such provision or any other provision herein or in any document related hereto. The enforcement by any party of any right or remedy it may have under this Contract or applicable law shall not be deemed an election of remedies or otherwise prevent such party from enforcement of one or more other remedies at any time.

15. Matters To Be Disregarded. The titles of the several sections, subsections, and paragraphs set forth in this contract are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of the provisions of this contract.

16. Subject To Funding. This Contract is subject to annual appropriations of funds by the Shelby County Government. In the event sufficient funds for this Contract are not appropriated by Shelby County Government for any of its fiscal periods during the term hereof, then this Contract will be terminated. In the event of such termination, the consultant shall be entitled to receive just and equitable compensation for any satisfactory work performed as of the termination date.

17. Travel Expenses. All travel expenses payable under this Contract shall be in accordance with the County Travel Policy and Procedures. This includes advance written travel authorization, submission of travel claims, documentation requirements, and reimbursement rates. No travel advances will be made by the County.

18. Incorporation Of Other Documents. (a) Consultant shall provide services pursuant to this Contract in accordance with the terms and conditions set forth within the Shelby County Request from the Shelby County Purchasing Department and incorporated herein by reference.

(b) It is understood and agreed between the parties that in the event of a variance between the terms and conditions of this Contract and any amendment thereto and the terms and conditions contained either within the Request for Proposals/Bids or the Response thereto, the terms and conditions of this Contract as well as any amendment shall take precedence and control the relationship and understanding of the parties.

19. Contracting With Locally Owned Small Businesses. The Consultant shall take affirmative action to utilize Locally Owned Small Businesses when possible as sources of supplies, equipment, construction and services.

20. Incorporation Of Whereas Clauses. The foregoing whereas clauses are hereby incorporated into this Contract and made a part hereof.

21. Waiver Of Proprietary Interest. Notwithstanding anything to the contrary contained herein or within any other document supplied to County by the Consultant, Consultant understands and acknowledges that County is a governmental entity subject to the laws of the State of Tennessee and that any reports, data or other information supplied to County by Consultant due to services performed pursuant to this Contract is subject to being disclosed as a public record in accordance with the laws of the State of Tennessee.

22. Organization Status And Authority. (a) Consultant represents and warrants that it is a corporation, limited liability company, partnership, or other entity duly organized, validly existing and in good standing under the laws of the state of Tennessee; it has the power and authority to own its properties and assets and is duly qualified to carry on its business in every jurisdiction wherein such qualification is necessary.

(b) The execution, delivery and performance of this Contract by the Consultant has been duly authorized by all requisite action and will not violate any provision of law, any order of any court or other agency of government, the organizational documents of the Consultant, any provision of any indenture, agreement or other instrument to which the Consultant is a party, or by which the Consultant's respective properties or assets are bound, or be in conflict with, result in a breach of, or constitute (with due notice or lapse of time or both) a default under any such indenture, agreement or other instrument, or result in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever upon any of the properties or assets.

23. Warranty. The Consultant warrants to the County that all Services shall be in strict compliance with the terms of this Contract, and all applicable governmental laws, rules and regulations.

24. Rights in Data. The County shall become the owner, and the Consultant shall be required to grant to the County, or its successors, a perpetual, non-exclusive, non-transferable, royalty-free right,

in the County's name, to use any deliverables provided by the Consultant under this Contract, regardless of whether they are proprietary to the Consultant or to any third parties.

## **B. INDEMNIFICATION AND INSURANCE REQUIREMENTS**

1. Responsibilities For Claims And Liabilities. (a) Consultant shall indemnify, defend, save and hold harmless the County, and its elected officials, officers, employees, agents, assigns, and instrumentalities from and against any and all claims, liability, losses or damages—including but not limited to Title VII and 42 USC 1983 prohibited acts—arising out of or resulting from any conduct; whether actions or omissions; whether intentional, unintentional, or negligent; whether legal or illegal; or otherwise that occur in connection with or in breach of this Contract or in the performance of the duties hereunder, whether performed by the Consultant its sub-contractors, agents, employees or assigns. This indemnification shall survive the termination or conclusion of this Contract.

(b) The Consultant expressly understands and agrees that any insurance protection required by this Contract or otherwise provided by the Consultant shall in no way limit the responsibility to indemnify, defend, save and hold harmless the County or its elected officials, officers, employees, agents, assigns, and instrumentalities as herein provided.

(c) The County has no obligation to provide legal counsel or defense to the Consultant or its sub-contractors in the event that a suit, claim or action of any character is brought by any person not party to this Contract against the Consultant as a result of or relating to obligations under this Contract.

(d) Except as expressly provided herein, the County has no obligation for the payment of any judgment or the settlement of any claims against the Consultant as a result of or relating to obligations under this Contract.

(e) The Consultant shall immediately notify the County, c/o Shelby County Government, Contracts Administration, 160 N. Main Street, Suite 900, Memphis, TN 38103, of any claim or suit made or filed against the Consultant or its sub-contractors regarding any matter resulting from or relating to Consultant's obligations under this Contract and will cooperate, assist and consult with the County in the defense or investigation thereof.

**NOTE:** The County, by state law, cannot indemnify another party for its or any other party's actions. The County will hold the Provider harmless from damages resulting from intrusions or a breach of the security system by a third party. A Consultant should not respond to this RFP if it is unable to contract without a contractual indemnity from the County.

2. Insurance Requirements. The Consultant will provide evidence of the following insurance coverage:

### **PROFESSIONAL SERVICES/CONSULTANT PROJECTS LESS THAN \$1,000,000**

### ***Minimum Limits of Insurance***

The Consultant shall maintain coverage with limits of no less than:

- a) *Commercial General Liability Insurance* \$1,000,000 limit per occurrence bodily injury and property damage/\$1,000,000 personal and advertising injury/\$2,000,000 General Aggregate/\$2,000,000 Products-Completed Operations Aggregate. The insurance shall include coverage for the following:
  - i) Premises/Operations
  - ii) Products/Completed Operations
  - iii) Contractual Liability
  - iv) Independent Contractors
  - v) Broad Form Property Damage
  - vi) Personal Injury
  
- b) *Business Automobile Liability Insurance* - \$1,000,000 each accident for property damage and personal injury. Coverage is to be provided on all:
  - a) Owned/Leased Autos
  - b) Non-owned Autos
  - c) Hired Autos
  
- c) *Workers Compensation and Employers' Liability Insurance* - Workers Compensation statutory limits as required by Tennessee. This policy should include Employers' Liability Coverage for \$1,000,000 per accident. Waiver of subrogation in favor of Shelby County Government shall apply.
  
- d) *Professional Liability Insurance* - \$1,000,000 per claim/\$3,000,000 annual aggregate. Indicate if coverage is on occurrence basis or claims-made.

All policies will provide for 30 days written notice to Shelby County of cancellation of coverage provided. Ten (10) days notice applicable to non-payment of premium. If the insurer is not required by the policy terms and conditions to provide written notice of cancellation to Shelby County, the Provider will provide immediate notice to Shelby County.

If Consultant maintains higher limits than the minimums shown above, the County requires and shall be entitled to coverage for the higher limits maintained by Consultant. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the County as additional insureds.

### ***Other Insurance Provisions***

- 1) *Commercial General Liability and Automobile Liability Coverage*

- a) Shelby County Government, its elected officials, appointees, employees, volunteers and members of its boards, agencies, commissions and committees are to be covered as additional insureds as respects: liability arising out of activities performed by or on behalf of the Consultant; products and completed operations of the Consultant; premises owned, leased or used by the Consultant or premises on which the Consultant is performing services on behalf of the County. The coverage shall contain no special limitations on the scope of protection afforded to Shelby County Government, its elected officials, appointees, employees, volunteers and members of its boards, agencies, commissions and committees.
  - b) The Consultant's insurance coverage shall be primary insurance as respects the County, its elected officials, appointees, employees, its elected officials, appointees, employees, volunteers and members of its boards, agencies, commissions and committees. Any insurance or self-insurance maintained by the County, its elected officials, appointees, employees, volunteers and members of its boards, agencies, commissions and committees shall be excess of Consultant's insurance and shall not contribute with it.
  - c) Any failure to comply with reporting provisions of the policies shall not affect coverage provided to Shelby County its elected officials, appointees, employees, volunteers and members of its boards, agencies, commissions and committees.
  - d) Coverage shall state that the Consultant's insurance shall apply separately to each insured against whom a claim is made or suit is brought, except with respect to the limits of the insurer's liability.
- 2) *Workers Compensation and Employers' Liability and Property Coverage*

The insurer shall agree to waive all rights of subrogation against Shelby County Government, its elected officials, appointees, employees, volunteers and members of its boards, agencies, commissions and committees for losses arising from activities and operations of the Consultant in the performance of services under this Agreement.

3) *All Coverage*

- a) Each insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended, voided, canceled, reduced in coverage or in limits except after thirty (30) days prior written notice has been given (add user department and specify specific individual and title) to the County, except 10 days notice for non-payment of premium. If the insurer is not required by the policy terms and conditions to provide written notice of cancellation to Shelby County, the Provider will provide immediate notice to Shelby County.

b) If the Consultant, for any reason, fails to maintain insurance coverage which is required pursuant to this Agreement, the same shall be deemed a material breach of contract. The County, at its sole option, may terminate this Agreement and obtain damages from the Consultant resulting from said breach.

4) Acceptability of Insurers

Insurance is to be placed with Tennessee admitted insurers rated A X or better by *A.M. Best's* rating service or as approved by Shelby County's Insurance Specialist.

5) Verification of Coverage

The Consultant shall furnish the County with certificates of insurance and with original endorsements affecting coverage required by this clause. The certificates and endorsements for each policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The certificates and endorsements are to be received and approved by the County before work commences. Shelby County may at its discretion request a certified copy of any insurance policy required under any contract or agreement.

6) Subcontractors

The Consultant shall include each of its subcontractors as insureds under the policies of insurance required herein or ensure that their subcontractors meet the minimum requirements for insurance specified herein.

7) Defense, Indemnification and Hold Harmless Agreement (Contracts for Services)

The Consultant shall indemnify, defend, save and hold harmless Shelby County Government, and its elected officials, officers, employees, agents, assigns, and instrumentalities from and against any and all claims, liability, losses or damages—including but not limited to Title VII and 42 USC 1983 prohibited acts—arising out of or resulting from any conduct; whether actions or omissions; whether intentional, unintentional, or negligent; whether legal or illegal; or otherwise that occur in connection with or in breach of this Contract or in the performance of the Services hereunder, whether performed by the Consultant its subcontractors, agents, employees or assigns. This indemnification shall survive the termination or conclusion of this Contract.

The Consultant expressly understands and agrees that any insurance protection required by this Contract or otherwise provided by the Consultant shall in no way limit the responsibility to indemnify, defend, save and hold harmless Shelby County or its elected officials, officers, employees, agents, assigns, and instrumentalities as herein provided.

Shelby County has no obligation to provide legal counsel or defense to the Consultant its subcontractors in the event that a suit, claim or action of any character is brought by any person not a party to this agreement against the Consultant as a result of or relating to performance of the Services under this Contract.

Except as expressly provided herein, Shelby County has no obligation for the payment of any judgment or the settlement of any claims against Consultant as a result of or relating to performance of the Services under this Contract.

The Consultant shall immediately notify Shelby County of any claim or suit made or filed against the Consultant or its subcontractors regarding any matter resulting from or relating to the Consultant's performance of the Services under this Contract and will cooperate, assist and consult with Shelby County in the defense or investigation thereof.

### **C. Right to Monitor and Audit**

Access To Records. During all phases of the work and services to be provided hereunder the Consultant agrees to permit duly authorized agents and employees of the County, to enter the Consultant's offices for the purpose of inspections, reviews and audits during normal working hours. Reviews may also be accomplished at meetings that are arranged at mutually agreeable times and places. The Consultant will maintain all books, documents, papers, accounting records, and other evidence pertaining to the fee paid under this Contract and make such materials available at their offices at all reasonable times during the period of this Contract and for three (3) years from the date of payment under this Contract for inspection by the County or by any other governmental entity or agency participating in the funding of this Contract, or any authorized agents thereof; copies of said records to be furnished if requested.

## **XI. PROPOSAL SUBMISSION**

### **A. GENERAL**

1. All interested and qualified Proposers are invited to submit a proposal for consideration. Submission of a proposal indicates that the Proposer has read and understands this entire RFP, including all attachments, exhibits, schedules, and addenda (as applicable) and all concerns regarding this RFP have been satisfied.
2. Proposals must be submitted in the format described below. Proposals are to be prepared in such a way as to provide a straightforward, concise description of capabilities to satisfy the requirements of this RFP. Expensive bindings, colored displays, promotional materials, etc. are neither necessary nor desired. Emphasis should be concentrated on conformance to the RFP instructions, responsiveness to the RFP requirements, and on completeness and clarity of content.

3. Proposals must be complete in all respects as required in this section. A proposal may not be considered if it is conditional or incomplete.
4. **Hard copy proposals must be received by no later than 3:00 pm (CST) on March 29, 2016, at Shelby County Government Purchasing Department, 160 N. Main St., Suite 900, Memphis, TN 38103.**
5. Proposer agrees to provide the County with any additional information it deems necessary to accurately determine ability to perform the services proposed. Furthermore, submission of this proposal constitutes permission by this organization for the County to verify all information contained in the proposal. Failure to comply with any request for additional information may disqualify this organization from further consideration. Such additional information may include evidence of financial ability to perform.

## **B. PROPOSAL REQUIREMENTS**

The proposal to audit will specifically state:

- Designated contact
- Firm's prior government auditing experience. (local office)
  - Involvement in Single Audits
  - Involvement in preparing reports meeting GFOA Certificate requirements
  - Involvement in addressing deficiencies noted by GFOA
- Proposed audit staff with brief resume of each, indicating:
  - Prior government auditing experience
  - Qualifications
  - Compliance with continuing education requirements
- Monitoring participation
  - Indicate number and classification of minorities employed by your firm
  - Indicate if the contract is to be a joint venture with a minority firm (identify firm and extent of participation)
- Most recent quality review report:
  - Date of review
  - Indicate whether or not you were conducting any governmental audits at the time of the review
  - Indicate whether or not any governmental audits were included in the review
- Maximum fee for annual audit, including maximum for each fiscal year. The fee schedule will show the annual audit fee for each of the following separate financial reports:
  - o Shelby County CAFR

- Board of Education CAFR
  - Shelby County OPEB Trust report
  - Shelby County Retirement System Pension Trust report
- Schedule of hourly rates for each classification of your staff, including by not limited to partner, manager, senior, associate, (identify different levels if applicable) and administrative or clerical for each year of contract.
  - Estimate of hours to conduct the annual examination
  - Staffing plan that demonstrates understanding of all segments of the County audit
  - Any additional services to be provided or available whether those services are included in the basic fee structure or to be billed at the hourly rates, such as payroll tax issues, client training or any additional information in its response that it feels is pertinent but not specifically asked for in the RFP. (Also, please note if different hourly rates apply for different services, i.e. audit vs. tax)

#### C. PROPOSAL PRESENTATION

1. One (1) original copy (clearly identified as original) and seven (7) copies of the proposal are required.
2. The package containing the original and copies must be sealed and marked with the Proposer's name and "**CONFIDENTIAL, FINANCIAL STATEMENT AUDIT (FISCAL YEARS 2016 – 2020), RFP #16-003-51**" with due date and time indicated.
3. Proposals must be typed. Erasures and "white-out" are not permitted. Mistakes may be crossed out, corrections typed adjacent and initialed in ink by the person signing the proposal. Please identify all attachments, literature and samples, etc., with your firm name and our RFP number.
4. Proposals must be verified before submission as they cannot be withdrawn or corrected after being opened on the due date and time. The County will not be responsible for errors or omissions on the part of the proposers in preparing their proposals. A responsible officer or employee must sign proposals. Tennessee sales tax shall not be included in the Consultant's proposal.

#### D. PROPOSAL FORMAT

Response to this RFP must be in the form of a proposal package that must be submitted in the following format: **Please download the attachment to this document.** The

**Proposal Response Sheet (*required document*) should be the first page of your written response.**

1. Cover Page/Proposal Response Sheet – Submit on letterhead stationary, signed by a duly authorized officer, employee, or agent of the organization/firm.
2. Comprehensive Response (Minimum Requirements and Scope of Work)
  - a. Address all services and information listed in the scope of work (outlined in Sections IX).
  - b. Outline of how respondent can meet or exceed the minimum requirements.
  - c. Detail of how the respondent is qualified to provide the services required.
  - d. Detail the techniques, approaches and methods that will be utilized to complete the project including a detailed plan on proposed strategy.
3. Cost and Fees
  - a. Provide the applicable itemized fees and any commissions included in the proposal for the Services.
  - b. Explain any assumptions or constraints in a price proposal to perform the services.
  - c. Explain any additional charges or fees in the proposal.
4. Experience of the Proposer.

A sufficient description of the experience and knowledge base of the Proposer to show the Proposer's capabilities should be included in the Proposal. At a minimum, the description of the experience and knowledge base of the Proposer included in the Proposal should include, but not necessarily be limited to, the following:

- a. A brief description of the history and mission of the Proposer, including the Proposer's background and mission statement, the length of time the Proposer has been in business, a description of the Proposer's organizational structure and a description of the Proposer's customer make-up;
- b. A statement of how long the Proposer has provided services similar to the Services requested herein;
- c. A general description of the Proposer's experience and background in providing services similar to the Services requested herein;

- d. Any other relevant information about the experience and knowledge base of the Proposer which is deemed to be material.

5. References

References of the Proposer, including at least three (3) other clients for whom the Proposer has provided services similar to the Services (with preference given to clients comparable to Shelby County Government) and, for each such reference, the business name, the identification of a contact person, the title of the contact person and a telephone number.

6. Additional Information

- a. A description of any other resources available to the Proposer that will be useful in providing the Services;
- b. A description of the methods used by the Proposer to measure the satisfaction of its client.
- c. Any other relevant information about the capabilities of the Proposer deemed to be material.

**XII. PROPOSAL EVALUATION AND SELECTION**

**A. EVALUATION PROCESS**

- 1. Initial Review – All proposals will be initially evaluated to determine if they meet the following minimum requirements:
  - a. The proposal must be complete, in the required format, and be in compliance with all the requirements of the RFP.
  - b. Proposers must meet the Minimum Proposer Requirements outlined in Section II of this RFP.
- 2. Technical Review- Proposals meeting the above requirements will be evaluated on the basis of the following criteria:
  - a. Organizational capacity and quality.
    - i. Organizational structure and number of professional personnel (if more than one office, in total and in local office).

- ii. Experience with engagements of comparable size.
  - iii. Results of most recent quality review.
  - iv. Minority participation
- b. Experience
    - i. Governmental and/or non-profit experience with similar fund structure.
    - ii. Involvement with Single Audits.
    - iii. Involvement with reports receiving GFOA certificate.
  - c. Key Personnel
    - i. Qualifications
    - ii. Government experience
    - iii. Compliance with continuing education requirements
  - d. Quality of audit approach
    - i. Understanding of the audit objectives, County's needs and final products to be delivered.
  - e. Cost Proposal

Please organize your proposal to specifically address each of the above areas to facilitate our evaluation of your proposal. A comparative analysis and recommendation will be submitted to the Audit Committee for consideration. The Audit Committee will then make their final selection. By resolution, the commission awards the contract and appropriate funding. The contract is prepared and submitted to the State of Tennessee for approval. The contract will be on the State "Contract to Audit Accounts".

### 3. Oral Presentation.

The Shelby County Government reserves the right to interview, or require an oral presentation from, any Proposer for clarification of information set forth in the Proposer's response. In this regard, at the discretion of the evaluation committee, some or all Proposers who submit a Proposal in response to this RFP may be asked submit to an interview or give an oral presentation of their respective Proposals to the evaluation committee. If so, this is not to be a presentation restating the Proposal, but rather an in-depth analysis of certain qualifications of the Proposer. The interview or oral presentation, if utilized, is intended to provide an opportunity for the Proposer to clarify or elaborate on its qualifications without restating the Proposal. The interview or oral presentation is to be a fact finding and explanation session only and is not to be used to negotiate any terms of contract. If required, the time and location of such interview or oral presentation will be scheduled by the Administrator of Purchasing. Interviews and oral presentations are strictly an option of the Shelby County Government or its evaluation committee and, consequently, may or may not be conducted. All travel expenses to and from the interview or oral presentation shall be the responsibility of the

Proposer. Selection will be based on determination of which proposal best meets the needs of the County and the requirements of this RFP.

## **B. CONTRACT AWARD**

Contract(s) will be awarded based on a competitive selection of proposals received. Proposers are advised that the lowest cost proposal will not necessarily be awarded the Contract, as the selection will be based upon qualification criteria and as determined by the selection committee. The proposals submitted will be evaluated by the evaluation committee and the contract award will be determined by the Shelby County Board of Commissioners.

The contents of the proposal of the successful Proposer will become contractual obligations and failure to accept these obligations in a contractual agreement may result in cancellation of the award.

The County reserves the right to negotiate any portions of the successful Proposer's fees and scope of work or utilize their own resources for such work.

