

CITY OF WEST ST. PAUL



**REQUEST FOR PROPOSALS
FOR
PROFESSIONAL AUDITING SERVICES**

August 24, 2015

**CITY OF WEST ST. PAUL
REQUEST FOR PROPOSALS**

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CITY OF WEST ST. PAUL REQUEST FOR PROPOSALS

I. INTRODUCTION

A. General Information

The City of West St. Paul is requesting proposals from qualified firms of certified public accountants to audit its financial statements for the fiscal year ending December 31, 2015, with the option of auditing its financial statements for each of the two subsequent fiscal years. These audits are to be performed in accordance with generally accepted auditing standards, the standards set forth for financial audits in the U.S. General Accounting Office's (GAO) *Government Auditing Standards* (2003 revision), and, if applicable, the provisions of the federal Single Audit Act of 1984 (as amended in 1996) and U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, as well as all other Federal, State and local requirements in effect now or placed in effect during the engagement.

There is no expressed or implied obligation for the City of West St. Paul to reimburse responding firms for any expenses incurred in preparing proposals in response to this request.

To be considered, three copies of a proposal must be received by Joan Carlson, Finance Director at City Hall, 1616 Humboldt Ave, West St. Paul, MN 55118. The City reserves the right to reject any or all proposals submitted.

During the evaluation process, the City of West St. Paul reserves the right, where it may serve the City's best interest, to request additional information or clarifications from proposers, or to allow corrections of errors or omissions. At the discretion of the City of West St. Paul, firms submitting proposals may be requested to make oral presentations as part of the evaluation process.

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

It is anticipated the selection of a firm will be completed by October 15, 2015. Following the notification of the selected firm, it is tentatively expected a contract will be executed between both parties as soon as possible.

B. Term of Engagement

A three-year contract is contemplated, subject to the annual review and recommendation of the City Manager and Finance Director, the satisfactory negotiation of terms (including a price acceptable to both the City of West St. Paul and the selected firm), and the concurrence of the West St. Paul City Council. The City of West St. Paul may extend the agreement annually without solicitation from other firms. In the event of unsatisfactory performance, or when in the best interest of the City, proposals may be solicited before the end of the three-year period.

The agreement between the City of West St. Paul and the auditing firm shall be in the form of a written contract.

C. Subcontracting

Following the award of the audit contract, no subcontracting will be allowed without the express prior written consent of the City of West St. Paul.

II. NATURE OF SERVICES REQUIRED

A. General

The City of West St. Paul is soliciting the services of qualified firms of certified public accountants to audit its financial statements for the fiscal year ending December 31, 2015, with the option to audit the City of West St. Paul's financial statements for each of the two subsequent fiscal years. These audits are to be performed in accordance with the provisions contained in this request for proposals.

B. Scope of Work to be Performed

The City of West St. Paul desires the auditor to express an opinion on the fair presentation of its basic financial statements in conformity with generally accepted accounting principles.

The auditor is not required to audit the combining and individual fund financial statements and supporting schedules. However, the auditor is to provide an "in-relation-to" opinion on the combining and individual fund financial statements and supporting schedules based on the auditing procedures applied during the audit of the basic financial statements. The auditor is not required to audit the introductory section of the report.

The auditor shall also be responsible for performing certain limited procedures involving required supplementary information required by the Governmental Accounting Standards Board as mandated by generally accepted auditing standards.

If the City of West St. Paul were required to have a single audit for any year covered by this proposal, the auditor would follow the provisions of the Federal Single Audit Act Amendments of 1996. It is unclear if the City will require a Single Audit for fiscal years ending December 31, 2015, 2016, and 2017. The pricing for the potential single audit should be reported separately on the fee structure schedule.

C. Auditing Standards to be Followed

To meet the requirements of this request for proposals, the audit shall be performed in accordance with:

- The auditing standards generally accepted as set forth by the American Institute of Certified Public Accountants.
- The standards applicable to financial audits contained in the *Government Auditing Standards*, issued by the Comptroller General of the United States.
- The provisions of the Single Audit Act of 1984 (as amended in 1996).
- The provisions of the U.S. Office of Management and Budget (OMB) Circular A-133, as applicable.
- The provisions of the Minnesota Legal Compliance Audit Guide for Local Government.
- Any other Federal, State, and local requirements in effect now or placed into effect during the engagements.

D. Reports to be Issued

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

1. A report on the fair presentation of the financial statements in conformity with generally accepted accounting principles, including, if applicable, an opinion on the fair presentation of the supplementary schedule of expenditures of federal awards “in relation to” the audited financial statements.
2. A report on internal control over financial reporting based on an auditor's understanding of the internal control structure.
3. A report on compliance with applicable laws and regulations.
4. If applicable, a report on compliance and internal control over compliance with specific requirements applicable to each major federal program.

All communications should be in accordance with AICPA's Statement on Auditing Standard (SAS) 112 and 114, as applicable.

Irregularities and illegal acts. Auditors shall be required to make an immediate, written report of all irregularities and illegal acts or indications of illegal acts of which they become aware to the City Manager and the Mayor.

D. Reporting to the City Council.

Auditors shall assure themselves that the City of West St. Paul's City Council is informed of each of the following:

1. The auditor's responsibility under generally accepted auditing standards,
2. Significant accounting policies,
3. Management judgments and accounting estimates,
4. Significant audit adjustments,
5. Other information in documents containing audited financial statements,
6. Disagreements with management,
7. Management consultation with other accountants,
8. Major issues discussed with management prior to retention,
9. Difficulties encountered in performing the audit.

F. Special Considerations

1. The City of West St. Paul may prepare one or more official statements in connection with the possible future sale of debt securities, which will contain the general purpose financial statements and the auditor's report thereon. The auditor shall be required, if requested by the fiscal advisor and/or the underwriter, to issue a "consent and citation of expertise" as the auditor and any necessary "comfort letters".
2. If applicable, the Schedule of Expenditures of Federal Awards and related auditor's report, as well as the reports on compliance and internal controls are not to be included in the Comprehensive Annual Financial Report (CAFR), but are to be issued separately.
3. Additional assistance regarding the specifics of the future implementation and compliance with the reporting requirements mandated by GASB Statement 67-69 may be required.

G. Working Paper Retention and Access to Working Papers

All working papers and reports must be retained, at the auditor's expense, for a minimum of three (3) years, unless the firm is notified in writing by the City of West St. Paul of the need to extend the retention period. The auditor will be

required to make working papers available, upon request, to the following parties or their designees:

City of West St. Paul,

U.S. General Accounting Office (GAO),

Parties designated by the federal or state governments or by the City of West St. Paul as part of an audit quality review process,

Auditors of entities of which the City of West St. Paul is a sub-recipient of grant funds,

Others as they become known or required by the City of West St. Paul.

In addition, the firm shall respond to the reasonable inquiries of successor auditors and allow successor auditors to review working papers relating to matters of continuing accounting significance.

III. DESCRIPTION OF THE GOVERNMENT

A. Principal Contact

The auditor's principal contact with the City of West St. Paul will be Joan Carlson, Finance Director, or a designated representative, who will coordinate the assistance to be provided by the City to the auditor.

B. Background and General Information

Please refer to the City of West St. Paul's audited financial statements for the year ended December 31, 2014 for a complete description of the government and its financial operation. The audited financial statements can be found on the City of West St. Paul's website at www.wspmn.gov.

The City of West St. Paul is organized into 10 departments. The accounting and financial reporting functions of the City of West St. Paul are centralized.

A list of key personnel with the location of their principal offices (Appendix A) is attached.

C. Fund Structure

The City of West St. Paul uses the following fund types in its financial reporting: General, Special Revenue, Debt Service, Capital Project, Enterprise, and Agency.

D. Budgetary Basis of Accounting

The City of West St. Paul prepares its budgets using a modified accrual basis of accounting for all governmental funds and an accrual basis of accounting for the enterprise fund, which is a basis consistent with Generally Accepted Accounting Principles.

E. Federal and State Assistance

It is unknown whether the City of West St. Paul will require a Single Audit for 2015.

F. Pension Plans

All full and certain part-time employees of the City of West St. Paul are covered by defined benefit pension plans administered by the Public Employees Retirement Association of Minnesota (PERA). The association administers the General Employees Retirement Fund (GERF), which are cost sharing, multiple employer retirement plans. In addition, five Council Members of the City of West St. Paul are covered by the Public Employee's Defined Contribution Plan (PEDCP), a multiple employer deferred compensation plan administered by PERA.

G. Component Units

The West St. Paul Economic Development Authority (EDA) is a legal entity separate from the City of West St. Paul. Although legally separate, the EDA is reported as if it were part of the primary government because it provides services exclusively for the City of West St. Paul and because the Commissioners consist of the Mayor and each member of the City Council. Each Commissioner's term coincides with their term as Mayor or member of the City Council.

H. Magnitude of Finance Operations

The finance department is headed by Joan Carlson, Finance Director and consists of four full-time employees. Typical functions include payroll, accounts payable, accounts receivable, cash receipting, cash and investments management, debt management, capital asset record management, budgeting, and accounting and reporting.

I. Computer Systems

The City of West St. Paul's financial reporting software is New World Systems.

J. Internal Audit Function

The City of West St. Paul does not maintain an internal audit function other than internal checks performed by the Finance Department.

K. Availability of Prior Audit Reports and Working Papers

Interested proposers who wish to review prior years' audit reports and management letters should contact Joan Carlson at 651-552-4123 or jcarlson@wspmn.gov. The City of West St. Paul will use its best efforts to make prior audit reports and supporting working papers available to proposers to aid their response to this request for proposals.

IV. TIME REQUIREMENTS

A. Proposal Calendar

The following is a tentative list of key dates up to and including the date proposals are due for submittal (the City reserves the right to amend this process and schedule):

Request for proposal issued	August 24, 2015
Due date for proposals	September 18, 2015 at 4:00 p.m.
Potential interviews	Week of September 28, 2015

B. Date Contract to be Awarded - Notifications

Selected firm notified	October 15, 2015
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C. Date Audit to Commence

The City of West St. Paul will have all records ready for the audit of April 4, 2016 for the 2015 Fiscal Year Audit.

D. Schedule for the 2015 Fiscal Year Audit

Each of the following should be completed by the auditor no later than the dates indicated. A similar or earlier time schedule will be developed for audits of future years if the City of West St. Paul exercises its option for additional audits.

1. Detailed Audit Plan

The auditor shall provide the City of West St. Paul with both a detailed audit plan and a list of all schedules to be prepared by the City of West St. Paul as soon as possible after City Council approval of auditor selection.

2. Interim Work

The schedule for interim work will be determined upon completion of the selection process. It is desirable to complete as much work as possible on an interim basis.

3. Fieldwork

Fieldwork will commence after April 4, 2016 and shall be completed within 30 days. It is the City of West St. Paul's preference that fieldwork be completed in one block of time.

4. Draft Reports

The auditor shall have drafts of the audit reports and recommendations to management available for review by May 16, 2016.

E. Entrance Conferences, Progress Reporting and Exit Conferences (A similar or earlier time schedule will be developed for audits of future years if the City of West St. Paul exercises its option for additional audits).

At a minimum, the following conferences should be held at the junctions indicated on the schedule:

1. Entrance conference with City Manager and Finance Director as soon as possible after Council approves audit firm.
 - The purpose of this meeting will be to discuss prior audit problems and the interim work to be performed. This meeting will also be used to establish overall liaison for the audit and to make arrangements for work space and other needs of the auditor.
2. Progress conferences with the Finance Director on an "as needed" basis.
 - The purpose of these meetings will be to discuss status of fieldwork and potential problem areas.

3. Exit conference with the City Manager and Finance Director.
 - The purpose of this meeting will be to summarize the results of the field work and to review significant findings.
4. Presentation to the City Council.
 - This will encompass a brief presentation to the West St. Paul City Council during a regular City Council meeting.

F. Date Final Report is Due

The auditor shall prepare the draft financial statements, notes to the financial statements, and all required supplementary schedules by May 16, 2016. City Staff will complete their review of the draft reports as expeditiously as possible. It is not expected that this process should exceed two weeks. During that period, the auditor should be available for any meetings that may be necessary to discuss the audit reports. Once all issues for discussion are resolved, the final signed report shall be delivered to the City of West St. Paul within ten working days, but not later than one week prior to the exit meeting with City Council. The exit meeting with City Council will be held no later than the regular Council meeting June 6, 2016.

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

A. Finance Department

The Finance Department staff and responsible management personnel will be available during the audit to assist the firm by providing information, documentation and explanations. The preparation of confirmations will be the responsibility of the City of West St. Paul as directed by the auditor.

B. Statements and Schedules to be prepared by the staff of the City of West St. Paul.

In an effort to contain audit costs, the City of West St. Paul has historically prepared as many audit worksheets and schedules as is practical to reduce the clerical work performed by the independent auditor. The City wishes to continue this practice.

C. Work Area, Telephones, Photocopying, Scanning and FAX Machines

The City of West St. Paul will provide the auditor with reasonable work space, tables and chairs. The auditor will also be provided with access to wireless access to internet, telephone lines, the photocopier, scanner, and FAX machine.

D. Report Preparation

Report preparation and editing shall be the responsibility of the auditor, including any visual presentations for the City Council. The Management Discussion and Analysis shall be the responsibility of the City. The City of West St. Paul will require an official copy of the final audit report as well as an electronic (i.e. PDF) copy. Twelve (12) paper copies shall be produced for the City's use.

VI. PROPOSAL REQUIREMENTS

A. General Requirements

1. Inquiries

Inquiries concerning the request for proposals and the subject of the request for proposals must be made to:

Email: Joan Carlson at jcarlson@wspmn.gov

Mail: Joan Carlson, Finance Director
City of West St. Paul
1616 Humboldt Ave
West St. Paul, MN 55118

Firms interested in receiving copies of questions regarding the request for proposals and the City of West St. Paul's response should submit an email to the Finance Director, at the above email address, by September 18, 2015.

2. Submission of Proposals

The following material is required to be received by 4:00 p.m. September 18, 2015 for a proposing firm to be considered:

a. A master copy (so marked) of a Technical Proposal and three copies to include the following:

i. Title Page

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

ii. Table of Contents

iii. Transmittal Letter

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

iv. Detailed Proposal

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

v. Executed copies of Proposer Guarantees and Warranties, attached to this request for proposal (Appendix B).

b. The proposer shall submit an original and three copies of a dollar cost proposal in a **separate sealed envelope** marked as follows:

SEALED DOLLAR COST PROPOSAL
FOR
CITY OF WEST ST. PAUL
FOR
PROFESSIONAL AUDITING SERVICES
2015

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

Joan Carlson, Finance Director
City of West St. Paul
1616 Humboldt Ave
West St. Paul, MN 55118

B. Technical Proposal

1. General Requirements

The purpose of the Technical Proposal is to demonstrate the qualifications, competence and capacity of the firms seeking to undertake an independent audit of the City of West St. Paul in conformity with the requirements of this request for proposals. As such, the substance of proposals will carry more weight than their form or manner of presentation. The Technical Proposal should demonstrate the qualifications of the firm and of the particular staff to be assigned to this engagement. It should also specify an audit approach that will meet the request for proposals requirements.

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

The Technical Proposal should address all the points outlined in the request for proposals (excluding any cost information which should only be included in the sealed dollar cost proposal). The Proposal should be prepared simply and economically, providing a straightforward, concise description of the proposer's capabilities to satisfy the requirements of the request for proposals. While additional data may be presented, the following subjects, items Nos. 2 through 11, must be included. They represent the criteria against which the proposal will be evaluated.

2. Independence

The firm should provide an affirmative statement that is independent of the City of West St. Paul as defined by generally accepted auditing standards/the U.S. General Accounting Office's *Government Auditing Standards* (1994).

The firm also should provide an affirmative statement that it is independent of the component units of the City of West St. Paul as defined by those same standards.

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

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

3. License to Practice in Minnesota

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

4. Firm Qualifications and Experience

The proposer should state the size of the firm, the size of the firm's governmental audit staff, the location of the office from which the work on this engagement is to be performed and the number and nature of the professional staff to be employed in this engagement on a full-time basis and the number and nature of the staff to be so employed on a part-time basis.

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

The firm shall also provide information on the results of any federal or state desk reviews or field reviews of its audits during the past three (3) years. In addition, the firm shall provide information on the circumstances and status of any disciplinary action taken or pending against the firm during the past three (3) years with state regulatory bodies or professional organizations.

5. Partner, Supervisory and Staff Qualifications and Experience

Identify the principal supervisory and management staff, including engagement partners, managers, other supervisors and specialists, who would be assigned to the engagement. Indicate whether each such person is licensed to practice as a certified public accountant in Minnesota. Provide information on the government auditing experience of each person, including information on relevant continuing professional education for the past three (3) years and membership in professional organizations relevant to the performance of this audit.

Provide as much information as possible regarding the number, qualifications, experience and training, including relevant continuing professional education, of the specific staff to be assigned to this engagement. Indicate how the quality of staff over the term of the agreement will be assured.

Engagement partners, managers, other supervisory staff and specialists may be changed if those personnel leave the firm, are promoted or are assigned to another office. These personnel may also be changed for other reasons with the express prior written permission of the City of West St. Paul. However, in either case, the City of West St. Paul retains the right to approve or reject replacements.

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

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

5. Prior Engagements with the City of West St. Paul

List separately all engagements within the past five (5) years, ranked on the basis of total staff hours, for the City of West St. Paul by type of engagement (i.e., audit, management advisory services, other). Indicate the scope of work, date, engagement partners, total hours, the location of the firm's office from which the engagement was performed, and the name and telephone number of the principal client contact.

7. Similar Engagements with Other Government Entities

For the firm's office that will be assigned responsibility for the audit, list the most significant engagements (maximum - 5) performed in the last five years that are similar to the engagement described in this request for proposal. These engagements should be ranked on the basis of total staff hours. Indicate the scope of work, date, engagement partners, total hours, and the name and telephone number of the principal client contact.

8. Specific Audit Approach

The proposal should set forth a work plan, including an explanation of the audit methodology to be followed, to perform the services required in Section II of this request for proposal. In developing the work plan, reference should be made to such sources of information as the City of West St. Paul's budget and related materials, organizational charts, manuals and programs, and financial and other management information systems.

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

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

h. Approach to be taken in drawing audit samples for purposes of tests of compliance.

9. Identification of Anticipated Potential Audit Problems

The proposal should identify and describe any anticipated potential audit problems, the firm's approach to resolving these problems and any special assistance that will be requested from the City of West St. Paul.

10. Report Format

The proposal should include sample formats for required reports.

11. Audit Schedule

The proposal should include an acknowledgement of the required audit schedule and a statement as to the firm's ability to meet the schedule.

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

C. Sealed Dollar Cost Proposal

1. Total All-Inclusive Maximum Price

The sealed dollar cost proposal should contain all pricing information relative to performing the audit engagement as described in this request for proposal. The total all-inclusive maximum price to be proposed is to contain all direct and indirect costs including all out-of-pocket expenses.

The City of West St. Paul will not be responsible for expenses incurred in preparing and submitting the technical proposal or the sealed dollar cost proposal. Such costs should not be included in the proposal.

The first page of the sealed dollar cost proposal should include the following information:

a. Name of Firm

b. Certification that the person signing the proposal is entitled to represent the firm, empowered to submit the proposal, and authorized to sign a contract with the City of West St. Paul.

c. A total all-inclusive maximum price for the 2015 engagement.

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

The second page of the sealed dollar cost proposal should include a schedule of professional fees and expenses, presented in the format provided in Appendix C, that supports the total all-inclusive maximum price.

3. Out-of-pocket Expenses Included in the Total All-inclusive Maximum Price and Reimbursement Rates.

All out of pocket expenses will be charged against the total all-inclusive maximum price submitted by the firm.

4. Audits

The information required for items 1-3 above should be provided for the 2016 and 2017 engagements as well.

5. Rates for Additional Professional Services

If it should become necessary for the City of West St. Paul to request the auditor to render any additional services to either supplement the services requested in this RFP or to perform additional work as a result of the specific recommendations included in any report issued on this engagement, then such additional work shall be performed only if set forth in an addendum to the contract between the City of West St. Paul and the firm. Any such additional work agreed to between the City of West St. Paul and the firm shall be performed at the same rates set forth in the schedule of fees and expenses included in the sealed dollar cost proposal.

6. Rates for Single Audit

The pricing for a Single Audit (A-133) should be reported separately on the fee proposal schedule.

7. Manner of Payment

Progress payments will be made on the basis of hours of work completed during the course of the engagement and out-of-pocket expenses incurred in accordance with the firm's dollar cost proposal. Interim billing shall cover a period of not less than a calendar month. Payment of final billing will be held pending delivery of the firm's final reports.

VII. EVALUATION PROCEDURES

A. Review Committee

A review committee consisting of the City Manager, Finance Director, a Department Head and a member of the City Council will evaluate proposals submitted.

B. Review of Proposals

The review committee will review and discuss each proposal and may request an interview with each firm being considered during the week of September 28, 2015.

The City reserves the right to retain all proposals submitted and use any idea in a proposal regardless of whether that proposal is selected.

C. Evaluation Criteria

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

1. Mandatory Elements

- a. The audit firm is independent and licensed to practice in Minnesota.
- b. The firm has no conflict of interest with regard to any other work performed by the firm for the City of West St. Paul.
- c. The firm adheres to the instructions in this request for proposal on preparing and submitting the proposal.
- d. The firm submits a copy of its last external quality control review report and the firm has a record of quality audit work.

2. Technical Quality

- a. Expertise and Experience
 - i. The firm's past experience and performance on comparable government engagements.
 - ii. The quality of the firm's professional personnel to be assigned to the engagement and the quality of the firm's management support personnel to be available for technical consultation.
- b. Audit Approach

- i. Adequacy of proposed staffing plan for various segments of the engagement.
- ii. Adequacy of sampling techniques.
- iii. Adequacy of analytical procedures.
- iv. Ability to meet scheduled deadlines.

3. Price

Cost will be a factor in the selection of an audit firm. However, price will not be the dominating factor in the selection process.

D. Oral Presentations

During the evaluation process, the City of West St. Paul may, at its discretion, request any one or all firms to make oral presentations. Such presentations will provide firms with an opportunity to answer any questions the City of West St. Paul may have on a firm's proposal. Not all firms may be asked to make such oral presentations.

E. Final Selection

The review committee will recommend to the City Council the appointment of a CPA firm judged to have the most responsive and responsible proposal for the auditing services requested. The final decision, with respect to the appointment of a CPA firm, will be made by the City Council. Following notification of the firm selected, it is expected a contract will be executed between both parties as soon as possible.

F. Right to Reject Proposals

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

The City of West St. Paul reserves the right, without prejudice, to reject any or all proposals.

APPENDICES

- A. List of Key Personnel, Office Locations and Telephone Numbers.
- B. Proposer Guarantees and Warranties.
- C. Schedule of Professional Fees and Expenses to Support the Total All-inclusive Maximum Price.
- D. Schedule of Firm's Professionals, City Clients and Experience.

APPENDIX A

LIST OF KEY PERSONNEL, OFFICE LOCATIONS AND TELEPHONE NUMBERS

<u>Name and Title</u>	<u>Location of Office</u>	<u>Telephone</u>
Finance Department:		
Joan Carlson, Finance Director	City Hall	651-552-4123
Steve Shaw, Accounting Tech	City Hall	651-552-4110
Deb Wheeler, Payroll Clerk	City Hall	651-552-4122
Penny O’Kane, Accounts Payable Clerk	City Hall	651-552-4124
Administration:		
Matt Fulton, City Manager	City Hall	651-552-4101
Chantal Doriott, City Clerk	City Hall	651-552-4102
Department Heads:		
Sherrie Le, Asst. City Manager/HR Director	City Hall	651-552-4108
Bud Shaver, Police Chief	City Hall	651-552-4201
Matt Saam, PW& Parks Director/City Engineer	City Hall	651-552-4130
Jim Hartshorn, EDA Director	City Hall	651-552-4140
City Attorney:		
Korine Land	Levander, Gillen & Miller	651-361-8582

APPENDIX B

PROPOSER GUARANTEES AND WARRANTIES

- I. The proposer certifies it can and will provide and make available, as a minimum, all services set forth in Section II, Nature of Services Required.
- II. Proposer warrants that it is willing and able to obtain an errors and omissions insurance policy providing a prudent amount of coverage for the willful or negligent acts, or omissions of any officers, employees or agents thereof.
- III. Proposer warrants that it will not delegate or subcontract its responsibilities under an agreement without the prior written permission of the City of West St. Paul.
- IV. Proposer warrants that all information provided by it in connection with this proposal is true and accurate.

Signature of Official: _____

Name (typed): _____

Title: _____

Firm: _____

Date: _____

SCHEDULE OF PROFESSIONAL FEES AND EXPENSES

FOR THE AUDIT OF THE DECEMBER 31, 2015 FINANCIAL STATEMENTS

Name of Firm: _____

	<u>Hours</u>	<u>Standard Hourly Rates</u>	<u>Quoted Hourly Rates</u>	<u>Total</u>
Partners	_____	_____	_____	_____
Managers	_____	_____	_____	_____
Supervisory Staff	_____	_____	_____	_____
Staff	_____	_____	_____	_____
Other (specify): _____	_____	_____	_____	_____
Subtotal	_____	_____	_____	_____
Out-of-Pocket Expenses:				
Meals and Lodging				_____
Transportation				_____
Other (specify): _____ _____				_____ _____
Total all-inclusive maximum price for 2015 audit				_____
Other: Single Audit Fees, if required				_____

Note: The rate quoted should not be presented as a general percentage of the standard hourly rate or as a gross deduction from the total all-inclusive maximum price.

SCHEDULE OF PROFESSIONAL FEES AND EXPENSES

FOR THE AUDIT OF THE DECEMBER 31, 2016 FINANCIAL STATEMENTS

Name of Firm: _____

	<u>Hours</u>	<u>Standard Hourly Rates</u>	<u>Quoted Hourly Rates</u>	<u>Total</u>
Partners	_____	_____	_____	_____
Managers	_____	_____	_____	_____
Supervisory Staff	_____	_____	_____	_____
Staff	_____	_____	_____	_____
Other (specify): _____	_____	_____	_____	_____
Subtotal	=====			=====

Out-of-Pocket Expenses:

Meals and Lodging	_____
Transportation	_____
Other (specify): _____	_____
_____	_____
Total all-inclusive maximum price for 2016 audit	=====

Other:
Single Audit Fees, if required _____

Note: The rate quoted should not be presented as a general percentage of the standard hourly rate or as a gross deduction from the total all-inclusive maximum price.

SCHEDULE OF PROFESSIONAL FEES AND EXPENSES

FOR THE AUDIT OF THE DECEMBER 31, 2017 FINANCIAL STATEMENTS

Name of Firm: _____

	<u>Hours</u>	<u>Standard Hourly Rates</u>	<u>Quoted Hourly Rates</u>	<u>Total</u>
Partners	_____	_____	_____	_____
Managers	_____	_____	_____	_____
Supervisory Staff	_____	_____	_____	_____
Staff	_____	_____	_____	_____
Other (specify): _____	_____	_____	_____	_____
Subtotal	_____			_____
Out-of-Pocket Expenses:				
Meals and Lodging				_____
Transportation				_____
Other (specify): _____				_____
_____				_____
Total all-inclusive maximum price for 2017 audit				_____
Other:				
Single Audit Fees, if required				_____

Note: The rate quoted should not be presented as a general percentage of the standard hourly rate or as a gross deduction from the total all-inclusive maximum price.

APPENDIX D

Page 1 of 2

SCHEDULE OF FIRM'S PROFESSIONALS, CITY CLIENTS AND EXPERIENCE

Name of Firm: _____

Please provide the requested information in the space provided. If you wish, additional information can be supplied by addendum.

1. Size of Firm – Indicate below the personnel assigned to the local office.

Position	Number of Employees	Number of CPA's	Number of CPA's providing greater than 500 service hours per year of Governmental Services
Partners			
Managers			
Seniors			
Juniors			
Support Staff			
Other			

2. Firm's Experience – In this portion of the response form, please list the firm's municipal clients.

City	Check if currently being audited	Reference Name

APPENDIX D

Page 2 of 2

SCHEDULE OF FIRM'S PROFESSIONALS, CITY CLIENTS AND EXPERIENCE

Name of

Firm: _____

3. Staff Experience – Identify here the personnel who will be assigned to the City of West St. Paul's audit.

Name	Position	Years with Firm	Total years in auditing	Cities now auditing	Prior cities audited