

**Date: January 4, 2016**

**CLINTON COUNTY  
REQUEST FOR PROPOSALS (RFP)**

**ANNUAL AUDIT SERVICES**

**I. INTRODUCTION:**

Clinton County, Iowa, is requesting proposals from qualified certified public accounting firms to conduct its annual audit. Attached is information relating to the expected services, information to be included in the proposal, a list of key dates, and the criteria that will be used to review the proposals.

The firm selected will perform audits for the fiscal years ending June 30, 2016 (FY16), June 30, 2017 (FY17), and June 30, 2018 (FY18). This contract may be extended an additional three audit years if agreed upon by both parties and annually thereafter if mutually agreeable.

Each bidding firm will submit three (3) hard copies or one (1) electronic copy of its proposal by the deadline of 4:00 p.m., January 29, 2016, at the office of the Clinton County Auditor, in the Clinton County Administration Building, Clinton, Iowa. Proposals should be mailed or delivered to:

Clinton County Auditor  
P.O. Box 2957  
Clinton, IA 52733-2957

Those submitting proposals should indicate on the outside of the envelope that it is a proposal for the Audit Services RFP and the name of the firm submitting the proposal.

Submissions may also be sent to this email address: [vanlancker@clintoncounty-ia.gov](mailto:vanlancker@clintoncounty-ia.gov).

***Faxed proposals will not be accepted.***

Further information may be obtained from Eric Van Lancker, Clinton County Auditor, [vanlancker@clintoncounty-ia.gov](mailto:vanlancker@clintoncounty-ia.gov); 563-244-0568.

## II. GENERAL INFORMATION:

1. Clinton County reserves the right to reject any and all proposals received.
2. Only proposals received at the location described and in the time frame given will be considered.
3. The audit and audit report shall be in accordance with the following: Chapter 11 of the Code of Iowa, Generally accepted auditing standards set forth by the American Institute of Certified Public Accounts (AICPA), the standards for financial audits contained in the most recent U.S. General Accounting Office's Government Auditing Standards, Office of Management and Budget (OMB) Circular A-133, Audits of State, Local Governments and Non-Profit Organizations.
4. The auditor shall communicate in a letter to management any reportable conditions found during the audit. A reportable condition shall be defined as a significant deficiency in the design or operation of the internal control structure, which could adversely affect the organization's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements.
5. Reportable conditions that are also material weaknesses shall be identified as such in the report.
6. Auditors shall immediately notify the State Auditor and the County Attorney of all irregularities and illegal acts of which they become aware.
7. There is no expressed or implied obligation for Clinton County to reimburse responding firms for any expenses incurred in preparing proposals in response to this request.
8. Electronic copies of audits from previous fiscal years ending June 30, 2006 through June 30, 2015 are available per request of the Clinton County Auditor's Office.
9. Clinton County desires the auditor to assist in the preparation of the accrued Annual Financial report in compliance with Iowa Code Section 331.403.
10. Clinton County will need to comply with the applicable GASB standards over the course of this contract. Any costs associated with assisting the County in implementing these standards should be included in the proposal. Any preliminary work to achieve compliance with these items and any additional GASB standards going forward should also be included.

## II. GENERAL INFORMATION (continued):

11. All working papers and reports must be retained, at the auditor's expense, for a minimum of five (5) years, unless the firm is notified in writing by Clinton County of the need to extend the retention period. The auditor will be required to make working papers available to authorized County staff upon request.
12. 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.
13. Twelve (12) bound copies and one electronic copy of the report, including the management letter, detailed per diem audit bill and a copy of the news release shall be timely provided to the County Auditor's Office.
14. All work or tasks to be provided by the County (i.e. preparation of work papers confirmation letters, pulling files, etc.) must be stated. An estimate of County staff time involvement must also be provided.
15. Clinton County will provide the auditor with reasonable work space, desks and chairs. The auditor will also be provided with access to necessary telephone lines, internet access, photocopying facilities and fax machines. Report preparation, editing and printing shall be the responsibility of the audit firm.
16. Either party may terminate this agreement by providing a 90 day written notice.
17. All payroll taxes, liability and workers' compensation are the sole responsibility of the firm. The firm understands that an employee/employer relationship does not exist under this agreement
18. All other terms and conditions pursuant to Attachment A.
19. The company shall maintain adequate liability insurance in form(s) and amount(s) sufficient to protect Clinton County, its agencies, its employees, its clients and the general public against loss, damage and/or expense related to performance under this agreement.
20. The company shall provide a Certificate of Insurance pursuant to all the requirements set forth in Attachment B.
21. In the event the insurance coverage is canceled or modified in any way, Clinton County must be notified immediately. If at any time during the contract period the company fails to maintain the minimum insurance coverage, the contract may be canceled at Clinton County's option.

## II. GENERAL INFORMATION (continued):

22. There shall be no cost to the County for any required insurance coverage or certification.

23. By reference, this RFP shall be incorporated into the agreement.

## III. DATA TO BE INCLUDED IN PROPOSAL:

In order to simplify the review process and to obtain the maximum degree of comparability, the proposals should include the following items and be organized in the manner specified. The Proposal should also be prepared simply and economically, providing a straightforward, concise description of the firm's capabilities to satisfy the requirements of the request for proposals.

1. **Letter of Transmittal**

A letter of transmittal briefly outlining the firm's understanding of the work and general information regarding the firm and individuals to be involved is desired, but not mandatory. If a transmittal letter is presented, it should clearly set forth the local address of the office of the firm to be performing the work, the telephone number and the name of the contact person.

2. **Table of Contents**

Include a table of contents which identifies the material by section, page number and a reference to the following information to be contained in the proposal. If a transmittal letter is not provided, please include on the table of contents the local address of the office to be performing the work, the telephone number and the name of the contact person.

3. **Profile of Firm Proposing**

- a. State whether the firm is a local, national or an international firm and a brief description of the size of the firm.
- b. State whether the firm is in compliance with the registration and permit requirements to engage in the practice of public accounting within Iowa.
- c. Describe the local office from which the work is to be performed.
  - Location of office.
  - The size of professional staff by level, such as partner, manager and supervisor, senior and other professional staff.
  - The number of CPAs in the office.
- d. If the firm is a joint venture or consortium, the qualifications of each firm comprising the joint venture or consortium should be separately identified and the firm that is to serve as the principal auditor should be noted, if applicable.

### III. DATA TO BE INCLUDED IN PROPOSAL (continued):

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

#### 4. **Qualifications**

- a. Provide list of current clients with similar types of audits and of similar size to which the proposal relates. Designate which, if any, are active or past participants in GFOA's Certificate of Achievement for Excellence in Financial Reporting program.
- b. Include résumés of all key professional members who will be assigned to the audit. Résumés should be included for all members of the audit team from the audit partner through at least the on-site in-charge accountant. The résumés should include:
  - The amount of experience the individual has had in the auditing profession.
  - A summary of similar audits on which the individual has worked.
  - A summary of the continuing professional education the individual has had in governmental accounting and auditing during the last three years.
  - A statement as to whether the individual is independent, as defined by applicable auditing standards.
- c. Describe the firm's policy on notification of changes in key personnel. Indicate how the quality of staff over the term of the agreement will be assured.
- d. Provide a listing of or the number of professionals in the office who are experienced in governmental auditing.
- e. Describe the availability of individuals within the firm who are heavily involved in governmental auditing and reporting with whom the audit team may consult.
- f. Briefly describe the firm's system of quality control to ensure that the audit is adequately performed.

III. DATA TO BE INCLUDED IN PROPOSAL (continued):

5. **Scope of Services and Proposed Project Schedule**

Briefly describe your understanding of the scope of services to be provided. Indicate a proposed time schedule for completing the work, assuming the contract will be issued on the approximate date given in Section IV of the RFP, including the approximate dates you would perform field work, office review and report preparation.

6. **Fees, Compensation and Duration of Agreement**

The firm selected will perform audits for the fiscal years ending June 30, 2016 (FY16), June 30, 2017 (FY17), and June 30, 2018 (FY18). This contract may be extended an additional three audit years if agreed upon by both parties and annually thereafter if mutually agreeable.

Provide the following information:

- a. Estimated total hours.
- b. Estimated total out-of-pocket expenses.
- c. The hourly rate by staff classification.
- d. A not-to-exceed amount for the financial statement audit with two major programs for each of the following years' audits:  
FY16, FY17, and FY18
- e. Separate fee for each additional major program audited.
- f. The frequency and timing of your billing process.

7. **Proposed Contract**

Two copies of a proposed contract for the services described in the RFP should be fully completed and manually signed by a partner of the firm submitting the proposal.

IV. CALENDAR:

The following is a list of dates pertinent to the submission of proposals:

Request for proposal issued	January 4, 2016
Due date for proposals	January 29, 2016; 4:00 p.m.
Firm Selected and Notified (approximate)	February 12, 2016
Contract date (approximate)	March 15, 2016

## V. EVALUATION CRITERIA:

The proposal will be evaluated based upon the following two areas. Therefore it is important that your proposal be responsive to the data requested.

1. Cost
  - a. Overall cost, including all out-of-pocket expenses for performance of the audit.
  
2. Qualifications
  - a. Recent experience in similar type audits with Counties of similar size.
  - b. Qualifications of the audit team and number of individuals experienced in governmental auditing.
  - c. Understanding of work and timetable to complete engagement.
  - d. Organizational structure and size of the firm and / or office performing the work (if applicable).

## ATTACHMENT A

### INSTRUCTION TO BIDDERS AND GENERAL TERMS AND CONDITIONS

1. **LANGUAGE, WORDS USED INTERCHANGEABLY** - The word "COUNTY" refers to the COUNTY OF CLINTON, IOWA throughout these Instructions to Bidders and General Terms and Conditions. Similarly, BIDDER refers to the person or company submitting an offer to sell its goods or services to the COUNTY. The words QUOTATION, BID and PROPOSAL are all offers from a BIDDER, but may represent different methods of obtaining price and other information from the BIDDER.
2. **BIDDER QUALIFICATIONS** - No Bid shall be accepted from, and no contract will be awarded to, any person, firm or corporation that is in arrears to the County upon debt or contract, that is a defaulter, as surety or otherwise, upon any obligation to the County, or that is deemed irresponsible or unreliable by the County. If requested, Bidders shall be required to submit satisfactory evidence that they have a practical knowledge of the particular supply/service bid and that they have the necessary financial resources to provide the proposed supply/service as described in the attached Technical Proposal specifications.
3. **BID FORM** - Each Bidder must submit an original Bid (if a bid form is attached it must be used) plus any additional sheets provided by the Bidder that may be required for additional information. The Bidder shall sign his/her Bid correctly, and the Bid may be rejected if it shows any omissions, alterations of the form, additions not called for in the Bid, or any irregularities of any kind. If a bid form is attached, the County will not consider replies that are not on the County's form. Bidders may submit additional information and brochures relative to the services for which they are offering pricing, but those submittals will only be considered in addition to, not in lieu of, any bid submitted on the County's form. In case of a discrepancy between the unit price and the extended price, the unit price shall prevail.
4. **SPECIFICATION DEVIATIONS BY THE BIDDER** - Any deviation from this specification MUST be noted in detail, and submitted in writing and attached to the Bid Form. Completed specifications should be attached for any substitutions offered, or when amplifications are desirable or necessary. The absence of the specification deviation statement and accompanying specifications will hold the Bidder strictly accountable to the specifications as written herein. Failure to submit this document of specification deviation, if applicable, shall be grounds for rejection of the item when offered for delivery. If specifications or descriptive papers are submitted with Bids, the Bidder's name should be clearly shown on each document.
5. **BIDDER REPRESENTATION** - Each Bidder must sign the Bid with his/her usual signature and shall give his/her full business address on the form provided in this Bid.
6. **COLLUSIVE BIDDING** - The Bidder certifies that the bid submitted by said Bidder is done so without any previous understanding, agreement or connection with any person, firm, or corporation making a bid for the same contract, without prior knowledge of competitive prices, and it is, in all respects, fair, without outside control, collusion, fraud or otherwise illegal action.

7. **BROCHURES** - Bids may include adequate brochures and advertising literature describing the service offered in such fashion as to permit ready comparison with our specifications where applicable.
8. **SPECIFICATION CHANGES, ADDITIONS AND DELETIONS** - All changes in Bid documents shall be through written addendum and furnished to all Bidders. Verbal information obtained otherwise will not be considered in awarding of Bids.
9. **BID CHANGES** - Bids amendments thereto or withdrawal requests received after the time advertised for Bid Opening will be void regardless of when they were mailed.
10. **HOLD HARMLESS AGREEMENT** - The Bidder agrees to protect, defend, indemnify and hold harmless the County of Clinton, its officers, and its employees, their agencies and agents, from any and all claims and damages of every kind and nature made, rendered or incurred by or on behalf of every person or corporation whatsoever, including the parties hereto and their employees that may arise, occur, or grow out of any acts, actions, work or other activity done by the Bidder, its employees, subcontractors or any independent contractors working under the direction of either the Contractor or subcontractor in the performance of this contract.
11. **COMPLETION DATE** - The completion as stated in the Bid Form shall be the time required to complete project after the award of the Contract. Where multiple items appear on a Bid request, the Bidder shall, unless otherwise stated by the County, show the completion date for each item separately. If only a single completion date is shown, it will mean that all tasks of the project included in the Bid can and will be delivered on or before the specified date. The Bidder agrees that the project will be completed in the time stated, assuming that the time between the Bid Opening and the Notice to Proceed does not exceed the number of days so stipulated. The right is reserved to reject any Bid in which the completion time indicated is considered sufficient to delay the operational needs for which the service is intended.
12. **BID REJECTION OR PARTIAL ACCEPTANCE** - The County reserves the right to reject any or all Bids. The County further reserves the right to waive technicalities and formalities in Bids, as well as to accept in whole or in part such Bids where it is deemed advisable in protection of the best interests of the County.
13. **BID CURRENCY/LANGUAGE** - All Bid prices shall be shown in US Dollars (\$). All prices must remain firm for the duration of the contract regardless of the exchange rate. All bid responses must be submitted in English.
14. **PAYMENTS** - Payments will be made for all goods/services delivered, inspected and accepted within 30 days and upon receipt of an original invoice.

15. **MODIFICATION, ADDENDA AND INTERPRETATIONS** - Any apparent inconsistencies, or any matter requiring explanation or interpretation, must be inquired into by the Bidder in writing at least 72 hours (excluding weekends and holidays) prior to the time set for the Bid Opening. Any and all such interpretations or modifications will be in the form of written addenda. All addenda shall become part of the contract documents and shall be acknowledged and dated on the Signature Page.
16. **LAWS AND REGULATIONS** - All applicable State of Iowa and federal laws, ordinances, licenses and regulations of a governmental body having jurisdiction shall apply to the award throughout as the case may be, and are incorporated here by reference.
17. **TELEGRAPHIC/ELECTRONIC BID SUBMITTAL** - Telegraphic and/or bid offers sent by electronic devices (e.g. facsimile machines) are not acceptable and will be rejected upon receipt. Proposing firms will be expected to allow adequate time for delivery of their bid either by airfreight, postal service, or other means.
18. **MISCELLANEOUS** - The County reserves the right to inspect Contractor's facilities prior to the award of this bid. The County reserves the right to negotiate optional items with the successful Bidder.
19. **MODIFICATION OF AGREEMENT** - No modification of award shall be binding unless made in writing and signed by the County.
20. **CANCELLATION** - Either party may cancel the award in the event that a petition, either voluntary or involuntary, is filed to declare the other party bankrupt or insolvent or in the event that such party makes an assignment for the benefit of creditors.
21. **TERMINATION OF AWARD FOR CAUSE** - If, through any cause, the successful Bidder shall fail to fulfill in a timely and proper manner its obligations or if the successful Bidder shall violate any of the covenants, agreements or stipulations of the award, the County shall thereupon have the right to terminate the award by giving written notice to the successful Bidder of such termination and specifying the effective date of termination. In that event, and as of the time that notice is given by the County, all finished or unfinished services, reports or other materials prepared by the successful Bidder shall, at the option of the County, become its property, and the successful Bidder shall be entitled to receive compensation for any satisfactory work completed, prepared documents or materials as furnished. Notwithstanding the above, the successful Bidder shall not be relieved of liability to the County for damage sustained by the County by virtue of breach of the award by the successful Bidder. The County may withhold any payments to the successful Bidder for the purpose of set-off until such time as the exact amount of damages due the County from the successful Bidder is determined.

22. **TERMINATION OF AWARD FOR CONVENIENCE** - The County may terminate the award at any time by giving written notice to the successful Bidder of such termination and specifying the effective date thereof, at least sixty (60) working days before the effective date of such termination. In that event, all finished or unfinished services, reports, material(s) prepared or furnished by the successful Bidder or under the award shall, at the option of the County, become its property. If the award is terminated due to the fault of the successful Bidder, termination of award for cause relative to termination shall apply. If the award is terminated by the County as provided herein, the successful Bidder will be paid an amount as of the time notice is given by the County which bears the same ratio to the total compensation as the services actually performed bear to the total services the successful Bidder covered by the award, less payments of compensation previously made.
23. **FORCE MAJEURE** - For the purpose hereof, force majeure shall be any of the following events: acts of God or the public enemy; compliance with any order, rule, regulation, decree, or request of any governmental authority or agency or person purporting to act therefore; acts of war, public disorder, rebellion, terrorism, or sabotage; floods, hurricanes, or other storms; strikes or labor disputes; or any other cause whether or not of the class or kind specifically named or referred to herein not within the reasonable control of the party affected.
- a. A delay in or failure of performance of either party shall not constitute a default hereunder nor be the basis for, or give rise to, any claim for damages, if and to the extent such delay or failure is caused by force majeure.
- b. The party who is prevented from performing by force majeure (i) shall be obligated, within a period not to exceed fourteen (14) days after the occurrence or detection of any such event to give notice to the other party setting forth in reasonable detail the nature thereof and the anticipated extent of the delay, and (ii) shall remedy such cause as soon as reasonably possible.
24. **ASSIGNMENT** - Bidder shall not assign this order or any monies to become due hereunder without the prior written consent of the County. Any assignment or attempt at assignment made without such consent of the County shall be void.
25. **EQUAL OPPORTUNITY** - The successful firm agrees not to refuse to hire, discharge, promote, demote, or to otherwise discriminate in matters of compensation against any person otherwise qualified solely because of race, creed, sex, national origin, ancestry or physical handicap.
26. **TIME PERIOD** - Prices are to be honored for the time period stated in your response on the Signature Page.
27. **EXTENSION** - Any or all of the awards made as a result of this Request for Bid may be extended for an additional period of time, up to one year, if mutually agreed between the parties.
28. **FOB POINT** - In terms of loss or damage, as well as where title to the goods is passed, please quote FOB - Destination.

29. **METHOD OF AWARDING/QUOTING** - The County reserves the right to make awards based on the entire bid or on an individual basis. However if you offer your bid based on an “all or none” condition, the County may consider your bid non-responsive and reject the entire bid.
30. **TAXES** - The County of Clinton is exempt from sales tax and certain other use taxes. Any charges for taxes from which the County is exempt will be deducted from invoices before payment is made.
31. **BID INFORMATION IS PUBLIC** – All documents submitted with any bid or proposal shall become public documents and subject to Iowa Code Chapter 22, which is otherwise known as the “Iowa Open Records Law”. By submitting any document to the County of Clinton in connection with a bid or proposal, the submitting party recognized this and waives any claim against the County of Clinton and any of its officers and employees relating to the release of any document or information submitted. Each submitting party shall hold the County of Clinton and its officers and employees harmless from any claims arising from the release of any document or information made available to the County of Clinton arising from any bid opportunity.
32. **PURCHASE ORDER** – Purchase Orders will not be issued from the County of Clinton.
33. **“NO GIFT” STANDARD** - The County of Clinton is committed to upholding the highest ethical standards in all of our business practices. This standard recognizes the need to avoid even the perception of improper gifts or favors to employees. Therefore, we ask all vendors to abide by our “No Gift” standard. The “No Gift” standard also applies to all offers of discounts or free items at any place of business targeted toward a County employee and not available to the general public, regardless of the value.

## **ATTACHMENT B**

### **MINIMUM INSURANCE REQUIREMENTS**

- A. At all times during the contract/agreement the outside party will carry and maintain, at the outside party's expense, the following insurance:
1. Commercial General Liability Insurance Policy, including but not limited to, insurance for premises construction operations (when applicable), contractual liability, completed operations with respect to liability arising out of the ownership, use, occupancy or maintenance of the premises and all areas appurtenant thereto, to afford protection with respect to bodily injury, personal injury, death or property damage of not less than One Million Dollars (\$1,000,000) per occurrence combined single limit/Two Million Dollars (\$2,000,000) general aggregate.
  2. The County reserves the right to require increased liability limits, not to exceed Fifteen Million Dollars (\$15,000,000) from bidders, should the project represent an elevated hazard level to the County as determined by the Clinton County Board of Supervisors.
  3. Comprehensive Automobile Liability Insurance Policy with limits for each occurrence of not less than One Million Dollars (\$1,000,000) Combined Single Limit with respect to bodily injury, property damage or death.
  4. Workers Compensation Insurance Policy or similar insurance in form and amounts required by law.
- B. Should the bid require design elements (i.e. architectural, engineering, or professional system designs), the outside party may be required to carry professional errors and omissions coverage with a limit for each claim of not less than One Million Dollars (\$1,000,000).
- C. Coverage must be maintained by a financially stable carrier with a minimum AM Best rating of A-. It will be the outside party's responsibility to provide proof of its carrier's rating.
- D. The outside party shall agree to the following:
1. Clinton County will be named as an additional insured with respect to all casualty insurance policies.
  2. Certificate of insurance will be submitted to the County Auditor's Office prior to commencement of the contract/agreement and shall include a thirty-day notice of cancellation provision.

3. If the outside party fails to perform any of its obligations under the County's Insurance and Policy Requirements, Clinton County reserves the right to either purchase the required insurance coverage and assess the cost directly to the outside party, or to declare the outside party's bid invalid.

4. Hold Harmless Agreement – The outside party shall indemnify and hold harmless Clinton County, its agents and employees, from and against all claims, damages, losses and expenses including attorneys' fees arising out of or resulting from the performance of the work, provided that any such claim, damage, loss or expense:

a. is attributable to bodily injury, sickness, disease or death, or to the damage to or destruction of tangible property (other than the work itself) including the loss of use resulting therefrom, and

b. is caused in whole or in part by any negligent act or omission of the outside party or its subcontractor, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, regardless of whether or not it is caused in part by a party indemnified hereunder.

c. Each contract/agreement shall contain the following language (when applicable): Contractor/Permittee/Licensee agrees that for all work done in the county road right of ways, easements and county property, it shall be solely responsible for work zone safety and shall hold the County harmless and agree to indemnify the County for all claims that arise from its work in the right of way, and further, it agrees that it will adhere to the Manual on Uniform Traffic Control Devices during the project.