



## SECTION II

### EVENT #1620 EXTERNAL AUDIT SERVICES

#### SCOPE OF SERVICES

#### 2.0 City of Savannah Reporting Entity

**General Information:** The City of Savannah is a municipal corporation incorporated in 1789 under the laws of the State of Georgia. The City operates under a Council-Manager form of government. The 2010 census indicated a City population of 136,286. The 2013 General Fund budget is \$172,702,520. The City's fiscal year ends December 31.

The primary financial functions of the City are divided among four departments. The Finance Department is responsible for accounting and financial reporting, fixed assets reporting, idle cash management, debt management, and the disbursement activities of the City including accounts payable and payroll. The Revenue Department is responsible for billing, collecting and depositing all revenues due the City, including property taxes. The Research and Budget Department is responsible for preparing the City's annual budget and for monitoring budgetary compliance. The Auditing Department develops and monitors compliance with fiscal policies, and reconciles bank statements monthly.

**Reporting Entity:** The City of Savannah reporting entity includes the Resource Recovery Development Authority (RRDA). The RRDA consists of a board of five members appointed by the Mayor and Alderman of the City. The RRDA provides services solely to the City. The RRDA is treated as a blended component unit of the City, and is reported as an enterprise fund in the City CAFR. The RRDA has had no financial activity for the past several years.

#### 2.2 Scope and Objectives of the Audit

The initial period under audit is the City's fiscal year of January 1, 2013 to December 31, 2013. It is the City's intent to continue with the selected Auditor for a period of five (5) years, including the initial period. A separate contract shall be entered into for each audit period prior to the end of the year to be audited.

The audit shall be conducted in accordance with generally accepted auditing standards, promulgated by the American Institute of Certified Public Accountants (AICPA) and in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States and with the *Official Code of Georgia Annotated*. The examination shall be made in compliance with applicable laws of the State of Georgia, the City of Savannah, and Chatham County.

The City will require a Single Audit report as part of this engagement. This audit should be performed in accordance with American Institute of Certified Public Accountants (AICPA) standards (GAAS), *Government Auditing Standards*, the Single Audit Act of 1984, the Single Audit Act Amendments of 1996, and the Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Additionally, Appendix H of the AICPA Audit and Accounting Guide for Audits of State and Local Governmental Units contains a listing of literature that should be considered in conducting audits in accordance with the Single Audit Act.

With professional standards frequently changing, the Auditor shall be required to comply with the applicable standards as they exist at the time of the audit.

The audit shall be designed to accomplish the following objectives:

- 2.2.1 To determine whether the general purpose financial statements present fairly the financial position and results of financial operations and cash flows in accordance with generally accepted accounting principles and the supplementary information is fairly presented in all material respects in relation to the financial statements taken as a whole.
- 2.2.2 To obtain an understanding of internal control over financial reporting sufficient to plan the audit by performing procedures to understand both the design of controls relevant to an audit of financial statements and whether they have been placed in operation, and assess control risk, in accordance with the AICPA's Statement on Auditing Standards (SAS) Number 55, *Consideration of Internal Control in a Financial Statement Audit* as amended by SAS Number 78, *Consideration of Internal Control in a Financial Statement Audit: An Amendment to SAS No. 55*.
- 2.2.3 To provide reasonable assurance that the financial statements are free of material misstatements resulting from violations of laws and regulations that have a direct and material effect on the determination of financial statement amounts in accordance with SAS Number 54, *Illegal Acts by Clients*, as described in SAS Number 74, *Compliance Auditing Considerations in Audits of Governmental Entities and Recipients of Governmental Financial Assistance*, and to provide reasonable assurance that the financial statements are free of material misstatements (whether caused by error or fraud), as described in SAS Number 82, *Consideration of Fraud in a Financial Statement Audit*, and SAS Number 47, *Audit Risk and Materiality in Conducting an Audit*. The Codification of Statements on Auditing Standards, Section AU 317 requires the Auditor to consider laws and regulations that are generally recognized by Auditors to have a direct and material effect on the determination of financial statement amounts. The Auditor's responsibility to detect and report misstatements resulting from illegal acts having a direct and material

effect on the determination of financial statement amounts is the same as that for errors and irregularities. In addition, the Auditor should be aware of the possibility that illegal acts that may, in particular circumstances, be regarded as having material but indirect effects on financial statements have occurred. If specific information comes to the Auditor's attention that provides evidence concerning the existence of possible illegal acts that could have a material indirect effect on the financial statements, the Auditor should apply audit procedures specifically directed to ascertaining whether an illegal act has occurred.

- 2.2.4 To provide reasonable assurance of detecting material misstatements resulting from noncompliance with provisions of contracts or grant agreements that have a direct and material effect on the determination of financial statement amounts. If specific information comes to the Auditor's attention that provides evidence concerning the existence of possible noncompliance that could have a material indirect effect on the financial statements, the Auditor should apply audit procedures specifically directed to ascertaining whether noncompliance has occurred.
- 2.2.5 To follow up on known material findings and recommendations from previous audits.
- 2.2.6 To prepare working papers containing sufficient information to enable an experienced Auditor having no previous connection with the audit to ascertain from them the evidence that supports the Auditor's significant conclusions and judgments.
- 2.2.7 To determine whether the City complied with laws, regulations, and the provisions of contracts or grant agreements pertaining to federal awards that have a direct and material effect on each major program. With regard to internal control over compliance, the Auditor is required to do the following (in addition to the requirements found in *Government Auditing Standards*): (1) perform procedures to obtain an understanding of internal control over federal programs that is sufficient to plan the audit to support a low assessed level of control risk for major programs, (2) plan the testing of internal control over major programs to support a low assessed level of control risk for the assertions relevant to the compliance requirements for each major program, and (3) perform tests of internal control.
- 2.2.8 To verify and test expenditures of the City's Special Purpose Local Option Sales Tax proceeds. In accordance with O.C.G.A. Section 48-8-121, as amended by House Bill 1433 in the 1998 Session of the Georgia General Assembly, a schedule shall be included in each annual audit which shows for each project in the resolution or ordinance calling for imposition of the Special Purpose Local Option Sales Tax the original estimated cost, the current estimated cost if it is not the original estimated cost, amounts expended in prior years, and amounts expended in the current year. The Auditor shall verify and test expenditures sufficient to provide assurance that the schedule is fairly presented in relation to the financial statements. The Auditor's report on the financial statements of the City of Savannah shall include an opinion, or disclaimer of opinion, as to whether the schedule is presented fairly in all material respects in relation to the financial statements taken as a whole.

## 2.3 Reporting Requirements

The City anticipates that the Auditor will prepare the following reports:

- 2.3.1 Independent Auditor's Report on the examination of the financial statements of the Reporting Entity of the City of Savannah, Georgia including all funds and component units in accordance with generally accepted auditing standards and with *Government Auditing Standards*.
- 2.3.2 Independent Auditor's Report on the examination of the financial statements of the Industrial and Domestic Water Supply Fund (AI&D Fund) of the City of Savannah, Georgia, in accordance with generally accepted auditing standards. (Note: City accounting records segregate the assets, liabilities, equity, revenues and expenses of the Industrial and Domestic Water System in an I&D Fund. The I&D transactions are reported as part of the Water and Sewer enterprise fund in the CAFR; however, a separate audit report and financial statements covering the I&D Fund are required. This separate accounting and reporting is done for rate making purposes.)
- 2.3.3 Single Audit reports to include the following reports in accordance with *Government Auditing Standards* and *OMB Circular A-133*:
- Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards.
  - Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control over Compliance in Accordance with *OMB Circular A-133*.
  - Schedule of Findings and Questioned Costs that includes (1) a summary of the Auditor's results, (2) findings related to the financial statements that are required to be reported in accordance with generally accepted government auditing standards, and (3) findings and questioned costs for federal awards.
- 2.3.4 Other Reports and Auditor Letters: State statutes require the Auditor to incorporate in the Independent Auditors Report an opinion as to whether the Schedule of Projects Funded with Special Sales Tax Proceeds, Schedule of Hotel/Motel Tax, and the Schedule of Rental Motor Vehicle Tax are presented fairly in all material respects in relation to the financial statements taken as a whole. This is a required reporting element under this Request for Proposal.

State statutes further require that the Auditor issue Independent Auditor's Report(s) on any grant funds received by the City from the governor's emergency fund or from a special project state appropriation. This is also a required reporting element under this Request for Proposal.

Additionally, the City may require “comfort letters” or “consent letters” from time to time as the City engages in various financial transactions. The Auditor shall prepare such letters in formats provided by the City. All documentation necessary for the preparation of such letters will be provided by the City.

A preliminary draft of all reports shall be submitted to the City prior to their release. The City will review and approve the release of all draft reports.

In addition to the reports listed above, the Auditor may supply the City with a written management letter containing matters not included in the Auditor’s report on compliance and on internal control over financial reporting. This letter may address all exceptions in accounting practices, immaterial instances of noncompliance with laws and regulations, and deficiencies in the internal control that are not reportable conditions as defined by the AICPA in Codification of Statements on Auditing Standards, Section AU 325. Such immaterial instances of noncompliance and deficiencies in internal control that are not reportable conditions should be referred to in the report on compliance and on internal control over financial reporting. The management letter should be submitted to the Finance Director at the conclusion of each audit. The Auditor should offer suggestions for appropriate corrective action for each item listed in the management letter.

## **2.4 Financial Report Preparation**

- 2.4.1 Comprehensive Annual Financial Report: The City will prepare the combined and combining financial statements including notes for the Comprehensive Annual Financial Report (CAFR) with the exception of all combined and combining statements of cash flows. The Auditor shall prepare all combined and combining statements of cash flows for the CAFR. The City will be responsible for printing the CAFR. The City is an active participant in the Government Finance Officer’s Award Program for the Certificate of Excellence in Financial Reporting and therefore requires that the Auditor provide guidance and technical expertise to ensure that its CAFR continues to meet the standards of this program. The Auditor shall also provide technical assistance for compliance with any new GASB pronouncements, as they become effective.
- 2.4.2 Industrial and Domestic Water Supply Fund Report: The City will prepare the Industrial and Domestic Water Supply Fund financial statements including notes, with the exception of the statement of cash flows. The Auditor will be responsible for preparing the statement of cash flows. The Auditor will also be responsible for printing the financial report. The City will require 20 bound copies of this report each year.
- 2.4.3 Single Audit Report: The Auditor will prepare the Single Audit Report, which is issued separately from the CAFR, and will be responsible for printing the report. The City will require 25 bound copies of this report each year. The City will provide the Auditor with the Schedule of Expenditures of Federal Awards, the Summary Schedule of Prior Audit Findings, and the Corrective Action Plan. Additionally, the Auditor will complete the Federal Audit Clearinghouse Data Collection Form and submit it to the City Finance Department separate from the bound Single Audit Report.

## 2.5 Calendar

Key dates on the City's audit calendar for its fiscal year 2013 audit are:

- August 5, 2013: Issue Request for Proposals for Audit Services
- August 20, 2013: Pre-proposal conference
- September 3, 2013: Responses to Request for Proposals for Audit Services due
- October 3, 2013: Audit contract on City Council agenda for approval
- November 1, 2013: Interim work may begin
- December 31, 2013: End of City fiscal year
- March 1, 2014: I & D Fund draft financial statements (excluding cash flow statements) delivered to Auditor by City
- March 15, 2014: Draft combining and combined CAFR financial statements (excluding notes and cash flow statements) delivered to Auditor by City
- April 1, 2014: Final Auditor's report and financial statements for I&D Fund delivered by Auditor to City (20 bound copies)
- April 1, 2014: Combined and combining statements of cash flow for CAFR delivered by Auditor to City
- April 15, 2014: Draft notes for CAFR delivered to Auditor by City
- May 1, 2014: Final Auditor's report for the 2013 CAFR delivered by Auditor to City
- May 31, 2014: Single Audit Report delivered by Auditor to City

It is anticipated that future years' calendars will closely pattern this schedule. The audit calendar will be incorporated into the annual contract for auditing services signed by the City and the selected Auditor. In addition, the City anticipates that the selected Auditor will meet with City staff by November prior to the end of each fiscal year to plan the audit, schedule the mailing of confirmations, and to request provided-by-client schedules.

## 2.6 Fund and Records Information

2.6.1 Fund Information: The City's CAFR currently presents financial information for the following fund types. The number of individual funds is bracketed:

- General Fund (1)
- Special Revenue Funds (8)
- Debt Service Funds (2)
- Capital Projects Funds (6)
- Permanent Fund (1)
- Enterprise Funds (6)
- Internal Service Funds (2)
- Pension Trust (3)
- Agency Funds (2)

2.6.2 Federal Awards: The 2012 City of Savannah Single Audit included the following programs that were tested as major programs.

- Community Development Block Grant/Entitlement
- Neighborhood Stabilization Program
- Lead Based Paint Hazard Control
- Summer Food Services Program for Children
- YouthBuild
- Workforce Investment Act – Adult Program
- Workforce Investment Act – Youth Activities
- Workforce Investment Act – Dislocated Workers
- Port Security Grant Program
- Energy Efficiency & Conservation Block Grant

The threshold for distinguishing Types A and B programs was \$565,028 for 2012.

2.6.3 Budget Information: The City adopts budgets for all governmental fund types on a basis consistent with generally accepted accounting principles. General, Special Revenue, and Debt Service Fund budgets are adopted annually. Capital Projects budgets are project-length budgets. Adopted budgets and encumbered funds are reflected in the City's general ledger system. The City's Service Program and Budget has received the Distinguished Budget Presentation Award from the Government Finance Officers Association for the past 20 years and is available for review as needed.

- 2.6.4 Records Information: The City's accounting system is comprised of three software systems. Currently, the functions of utility billing for water sewer and refuse, special assessments, miscellaneous accounts receivable are processed in a Unix-based on-line system developed by Creative Computer Systems, Inc. (ACCS). The CCS system feeds general ledger transactions to the City's general ledger, which is stored in the Lawson software system. The Lawson ERP system is an integrated accounting package used by the City for the following functions: payroll, purchasing, central warehouse, general ledger, accounts payable, asset management, capital project and activity management and payroll. A third system, Govern, is used for property tax billing and collections and also feeds transactions to the Lawson general ledger.

The City maintains a pooled cash account that consists of one concentration account, seven zero-balance accounts and one compensating balance account. There are approximately 10 other City bank accounts.

The City has previously engaged the firm of Karp, Ronning and Tindol to audit its financial statements for the fiscal years 2000 to 2012. For each year audited, the firm issued an unqualified opinion on the City's financial statements.

For information purposes, a listing of year end journal entries made by City staff is shown as an attachment to this RFP.

Relevant volume levels for 2012 were:

-	Number of Paychecks	88,526
-	Number of Pension Checks	15,354
-	Number of Vendor Checks	32,744
-	Number of AR Invoices	1,973
-	Number of Property Tax Bills	110,269
-	Number of Cashier Transactions	510,974
-	Number of Utility Bills	474,780

It is anticipated that future volume levels should not deviate substantially from these amounts.

- 2.6.5 City Staff: Members of the City's Finance Department will be available to provide needed information, documentation, and explanations during the audit. The financial operations of the City are directed by Richard M. Evans, Chief Financial Officer. The primary contact for external Auditors during the course of the audit and field work will be David Maxwell, Finance Director. The City also has five accounting professionals who may be relied upon to provide supporting documentation and information. They are Jennifer Larson, Christina Knight, Kim Saxon, Susan Odom and Sylathia Spaulding.



Additional assistance may be provided by the City's Internal Auditing Department, a department organized separately from, and operating independently of, the Finance Department. The Audit Director reports directly to the City Manager. The City's Internal Audit department performs annual inventory counts and reconciliations that are available for use by the selected Auditor. The Auditing Department is also responsible for monthly bank account reconciliations.

- 2.6.6 Work Space: The City will provide adequate work space to the Auditor that will be convenient to necessary records and City personnel. The Auditor will also be provided a system login ID and password to enable access to computerized financial records.

## 2.7 Proposal Requirements

- 2.7.1 A complete proposal shall consist of the following elements:

- Technical Proposal - Submit an original and two copies. Use the outline set forth in this section.
- Price Proposal - Use the Price Proposal Form attached to this RFP. Enclose the Price Proposal in a separate sealed envelope.
- Executed Non-Discrimination Statement - This form is attached to this RFP.
- If you plan to subcontract a portion of the work for this engagement, then submit a completed Proposed Schedule of Minority/Women Business Enterprise Participation form. If you do not plan to subcontract any portion of the work for this engagement, then submit the form with a notation that no subcontracting is anticipated. This form is attached to this RFP document.

- 2.7.2 Proposals should be as thorough and detailed as possible so the City may properly evaluate the Auditor's capabilities to provide the required services. Required proposal contents are outlined below. The Technical Proposal should be organized as follows:

- Title Page – Show the RFP subject, the name of the proposer's firm, local address, telephone number, name of contact person, and date.
- Table of Contents – Clearly identify the material by section and page number.
- Letter of Transmittal – Limit to two pages.
  - a. Briefly state the proposer's understanding of the work to be done and make a positive commitment to perform the work within the time period.
  - b. Give the names of the persons who will be authorized to make representations for the proposer, their titles, addresses, and telephone numbers.
  - c. Include a statement that the proposer meets the independence requirements of the *Government Auditing Standards* (1994 Revision).
  - d. Include a statement that the proposer is a properly licensed Certified Public Accountant as described by generally accepted government auditing standards.

- e. Include a statement that the proposer does not have a record of substandard audit work.

- Profile of the Proposer

- a. State whether the firm is local, regional, national, or international, the number of years in business, and the number of employees in the local office.
- b. State whether the local office will be assigned responsibility for the Audit. If not, state which office will be assigned responsibility for the Audit and give its address.
- c. Give the number of partners, managers, supervisors, seniors, and other professional staff employed at the local office. If the local office will not be assigned responsibility for the Audit, also describe the number of partners, manager, supervisors, seniors and other professional staff employed at the responsible office.
- d. Provide a list of the firm's current and prior government audit clients indicating the type(s) of services performed and the number of years served for each. For the firm's office that would be assigned responsibility for the City's Audit, list the most significant audit engagements (maximum of five) performed in the last three years that are similar to the engagement described in the request for proposals. These engagements should be ranked on the basis of total staff hours. Indicate the scope of the work, date, engagement partner(s), total hours, and the name and telephone number of the client contact.
- e. Describe the local office's experience in providing additional (non-audit) services to government clients by listing the name of each government, the type(s) of service performed and the year(s) of engagement.
- f. Describe the firm's participation in AICPA Peer Review Program and attach the most recent review.

- Summary of the Proposer's Qualifications – State the specific individuals who will be assigned to this engagement for each of the following:

- a. State staff classification of each individual.
- b. Describe the experience in government audits including years on each job and their position while on each audit.
- c. Describe relevant educational background including seminars and courses attended within the past three years. Particularly note governmental accounting seminars and courses attended during the past two years.
- d. Describe experience in auditing relevant governmental organizations, programs, activities, or functions (e.g., utilities, solid waste, transit, airports, or motor pool operations).
- e. Describe any specialized skills, training, or background in public finance which include participation in state or national professional organizations, speaker or instructor roles in conferences or seminars, or

- authorship of articles and books.
  - f. State your organization's intention of complying with the yellow book educational standards for all individuals.
- Work Plan and Approach to the Audit – Submit a work plan to accomplish the scope as defined in section 2.2 of this RFP. The work plan must include identification of and time estimates for each significant segment of the work, and the staff level to be assigned. Planned use of specialists or sub contractors must be specified. The work plan should address the following information on the audit approach:
  - a. Type of audit program used (tailor-made, standard government or standard commercial).
  - b. Use of sampling techniques and the extent to which statistical sampling may be used in the engagement.
  - c. Extent of the use of EDP software in the engagement.
  - d. Type and extent of analytical procedures that may be used in the engagements.
  - e. Approach to be taken to gain and document an understanding of the government entity's internal control.
  - f. Approach to be taken in determining laws and regulations that will be subject to audit test work.
  - g. Approach to be taken in drawing audit samples for purposes to tests of compliance.
  - h. Number of hours to be allocated to this engagement for each team member identified in Summary of Qualifications above.
  - i. For senior level hours estimated above, state approximately how many hours will be on-site.
  - j. Typical assistance expected from government's staff.
  - k. Tentative schedule for completing audit within specified deadlines of the RFP.
  - l. Include a statement that if any of the audits are judged to be unacceptable by the State, the cognizant agency, or any other government agency, that you will do whatever is necessary to satisfy the agency which rejected the audit at no extra cost to the City.
  - m. Describe briefly how you would conduct the audit for the years 2014, 2015, 2016, and 2017, if engaged for those years.
- Additional Data – Since the preceding selections are to contain only data that is specifically requested, any additional information considered essential to the proposal should be included in this section. The proposer's general information publication, such as directories or client lists, should not be included unless specifically requested. If there is no additional information to present, state “There is no additional information we wish to present.”

- 2.7.3 Price Proposals should be submitted with the Technical Proposal in a separate sealed envelope. Price Proposals shall be made using the Price Proposal Form attached to this RFP. Furnish a breakdown of the audit fee to show persons assigned by classification, the billing rate for the classification, the number of hours to be performed by each person, and the extended fees.

The fee should be broken down between the financial audit and the single audit. The billing rates should be designed to include all out-of-pocket expenses. No additional out-of-pocket expense reimbursements will be made by the City.

The Price Proposal must arrive at a total not-to-exceed fee. For each of the audits after the initial engagement year, indicate the not-to-exceed fee for each year in 2013 dollars. Fees will be adjusted for each year after the initial year by the percentage increase in the CPI (United States - All Urban Consumers) from June, 2013, to the CPI for June of the year to be audited.

No payment shall be made for audit work beyond the original scope of the contract until the contract has been amended to reflect changes in the scope.

## 2.8 Selection Process

- 2.8.1 The proposals will be evaluated by an Audit Proposal Evaluation Committee which will make a recommendation to the City Manager. The City Manager will make a recommendation to the Mayor and Aldermen, which shall make the final award decision. The Audit Proposal Evaluation Committee shall consist of professional members of the City Staff.

- 2.8.2 The evaluation criteria to be used in evaluating proposals are:

- a. Total not-to-exceed fees for the years 2013 through 2017. *(25 points)*
- b. Skill, experience, and the amount of time of the specific persons committed to perform the requested services. *(25 points)*
- c. Completeness of the Auditor's plan for meeting the requirements as well as its demonstrated understanding of the City's needs. *(25 points)*
- d. Prior experience in city and/or other local government audits. *(25 points)*

- 2.8.3 This being a request for proposals for professional services, the City may enter into negotiations with the firm(s) making the most attractive proposals. The award will be made to the firm making the most favorable proposal the City taking into account all the above criteria. The award will not necessarily be made to the firm offering the lowest cost proposal.

## 2.9 Additional Considerations

- 2.9.1 The Auditor will arrange meetings at least monthly while the audit is in progress with appropriate City personnel to review audit progress and to discuss any problems which may arise.

- 2.9.2 The Auditor will retain their work papers for a period of not less than seven years and make the work papers available to the cognizant agency or any other persons the City authorizes to review the papers, including a successor audit firm. The Auditor shall supply the City with copies of work papers if requested by the City.
- 2.9.3 The Auditor will notify the City in writing of any changes in audit personnel. Resumes of substitute personnel will be submitted to, and approved by, the City.
- 2.9.4 The Auditor will bill the City on a monthly basis beginning in January following the year under audit until the audit is completed. The City will pay the bills within 30 days of receipt. Unless otherwise agreed to by the City under the terms of this RFP or the contract, the sum of progress billings shall not exceed the not-to-exceed fee proposed in response to this RFP.
- 2.9.5 The City will not pay more than 90% of the not-to-exceed-fee for the applicable audit until the audit is completed, and all required reports are delivered to the City. Unless caused by action or inaction of the City, failure to deliver the reports prior to or on the due date will result in the forfeiture of 10% of the audit fee.
- 2.9.6 A sample audit contract is attached.

2.10 Changes in Auditing Standards/Federal Requirements

If professional auditing standards or Federal auditing requirements change, the Auditor shall adjust necessary auditing techniques and reporting formats and criteria to comply with new requirements. If additional hours are required by the Auditor as a result of such changes that would cause the Auditor to exceed the proposed hours as outlined in the Fee Proposal, an equitable adjustment to the not-to-exceed fee shall be negotiated and a contract amendment agreed to by both parties.

- 2.12 Contacts: Proposers must submit proposals in accordance with the instructions contained in this RFP. All requested information must be submitted with the proposal. Instructions for preparation and submission of proposals are contained in this package. Questions regarding this request for proposal should be directed to:

Molly F. Huhn  
Assitant Director, Purchasing Department  
(912) 651-6422  
Email: mhuhn@savannahga.gov

Technical Questions should be addressed to:

David Maxwell  
Finance Department Director  
(912) 651-6434  
Email: dmaxwell@savannahga.gov

## **Attachments**

- 1. Draft 2013 Closing Journal Entry Schedule**
- 2. Anticipated Form of Engagement Contract**

**SECTION III  
FEE PROPOSAL**

I have read and understand the requirements of this request for proposal Event #1620 and agree to provide the required services in accordance with this proposal and all attachments, exhibits, etc. The proposed fee shall include all labor, material and equipment to provide the services as outlined including any travel or per diem expenses and any other miscellaneous expense involved.

The not-to-exceed fee proposed for the audit services for the fiscal year ended December 31, 2013, described in the Request for Proposal, and our response thereto dated \_\_\_\_\_ is as follows:

**Financial Audit**

<u>Individual Names</u>	<u>Staff Classification</u>	<u>Estimated Hours</u>	<u>Billing Rate</u>	<u>Total Fee</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
<b>Sub-Total</b>			<b>\$ _____</b>	

**Single Audit**

<u>Individual Names</u>	<u>Staff Classification</u>	<u>Estimated Hours</u>	<u>Billing Rate</u>	<u>Total Fee</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
<b>Sub-Total</b>			<b>\$ _____</b>	
<b>Total</b>			<b>\$ _____</b>	
<b>Less Discount Percent (if any)</b>			<b>\$ _____</b>	
<b>2013 Grand Total Not-To-Exceed Fee</b>			<b>\$ _____</b>	

Fee Proposal Form (Page 2 of 2)

Not-to-Exceed Fees for years after the initial year in 2013 dollars (subject to adjustment as described in Section 2.7.3 of the RFP) are as follows:

<u>For Year Ended</u>	<u>Not-to-Exceed Fee 2013 Dollars</u>
December 31, 2014	\$ _____
December 31, 2015	\$ _____
December 31, 2016	\$ _____
December 31, 2017	\$ _____
Sum of Not-to-Exceed Fees for Years 2014 through 2017	\$ _____

SUBMITTED BY: \_\_\_\_\_

PROPOSER: \_\_\_\_\_

SIGNED: \_\_\_\_\_

NAME (PRINT): \_\_\_\_\_

ADDRESS: \_\_\_\_\_

CITY/STATE: \_\_\_\_\_ ZIP \_\_\_\_\_

TELEPHONE: (\_\_\_\_\_) \_\_\_\_\_  
Area Code

FAX: (\_\_\_\_\_) \_\_\_\_\_  
Area Code

INDICATE MINORITY OWNERSHIP STATUS OF BIDDER (FOR STATISTICAL PURPOSES ONLY):

CHECK ONE:

- \_\_\_\_\_ NON-MINORITY OWNED
- \_\_\_\_\_ AFRICAN AMERICAN
- \_\_\_\_\_ HISPANIC
- \_\_\_\_\_ WOMAN (non-minority)

- \_\_\_\_\_ ASIAN AMERICAN
- \_\_\_\_\_ AMERICAN INDIAN
- \_\_\_\_\_ OTHER MINORITY Describe \_\_\_\_\_



## NON-DISCRIMINATION STATEMENT

The proposer certifies that:

- (1) No person shall be excluded from participation in, denied the benefit of, or otherwise discriminated against on the basis of race, color, national origin, or gender in connection with any bid submitted to the City of Savannah or the performance of any contract resulting therefrom;
- (2) That it is and shall be the policy of this Company to provide equal opportunity to all business persons seeking to contract or otherwise interested in contracting with this Company, including those companies owned and controlled by racial minorities, cultural minorities, and women;
- (3) In connection herewith, we acknowledge and warrant that this Company has been made aware of, understands and agrees to take affirmative action to provide such companies with the maximum practicable opportunities to do business with this Company;
- (4) That this promise of non-discrimination as made and set forth herein shall be continuing in nature and shall remain in full force and effect without interruption;
- (5) That the promises of non-discrimination as made and set forth herein shall be and are hereby deemed to be made as part of and incorporated by reference into any contract or portion thereof which this Company may hereafter obtain and;
- (6) That the failure of this Company to satisfactorily discharge any of the promises of non-discrimination as made and set forth herein shall constitute a material breach of contract entitling the City of Savannah to declare the contract in default and to exercise any and all applicable rights and remedies including but not limited to cancellation of the contract, termination of the contract, suspension and debarment from future contracting opportunities, and withholding and or forfeiture of compensation due and owing on a contract.

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Signature

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Title

**PROPOSED SCHEDULE OF M/WBE PARTICIPATION**

Name of Bidder/Proposer: \_\_\_\_\_ Event No. 1620  
 Project Title: \_\_\_\_\_ Total Bid Amount \$ \_\_\_\_\_

Name of M/WBE Participant	Address	Type of Work Sub-Contracted	Subcontract Value	MBE/WBE Status
			\$	
			\$	
			\$	
			\$	

MBE Participation Value: \_\_\_\_\_ % \$  
 Women Participation Total Value: \_\_\_\_\_ % \$

The undersigned will enter into a formal agreement with the M/WBE Subcontractors/Proposers identified herein for work listed in this schedule conditioned upon executing of a contract with the Mayor and Aldermen of the City of Savannah.

**Joint Venture Disclosure**

If the proposer is a joint venture, please describe below the nature of the joint venture and level of work and financial participation to be provided by the Minority/Female joint venture firm.

Joint Venture Firms	Level of Work	Financial Participation

Signature: \_\_\_\_\_

Title: \_\_\_\_\_

Note: The Minority/Woman-Owned Business Office is available to identify qualified MWBEs. Please contact the Office at (912) 651-3653. This form may be copied as needed. The City of Savannah has also posted a list of registered MWBEs on its website @ [www.savannahga.gov](http://www.savannahga.gov).